



U.S.A.

WEEKLY PERFORMANCE SUMMARY

APRIL 11, 1994

Marketing Information & Analysis

File Copy

2023656302

WEEKLY UPDATE IMPLICATIONS APRIL 11, 1994

Shipments

- All manufacturers' weekly volumes except Liggett were at or above normal and above forecast.
- PM USA's weekly volume of 4.5 billion units was 80.7% above projection and over 100% above last year. Volume was influenced by:
 - Absence of a March trade program which resulted in no payback (+1.5 billion).
 - Above normal shipments to McLane and CoreMark (+0.5 billion).
 - Stronger going rate (+0.1 billion).
- Over the next two to three weeks, PM is expected to be above its current going rate of slightly more than 4 billion per week due to above normal shipments to McLane.

Retail

- Marlboro's share has stabilized near record levels in both pack and carton outlets.
- All brand performance benchmarks remained favorable this week.
 - Basic's share of Discount continues to be unfavorable.
- Recent PL share gains have largely held, but have not expanded the Total Discount category over the last two months.

Pricing

- <99¢ pricing remained within the 15-16% range for the fourth consecutive week.
- Lowest Discount pack prices improved to \$1.33 week to week, but remain unfavorable (-1¢).

Consumer

- Marlboro's total smoker and volumetric shares remain consistent with stable retail performance.
 - More recently, Marlboro's young adult smoker and volumetric shares have strengthened.

202365303

SHIPMENTS

2023656304

PM-USA
SECOND QUARTER PERFORMANCE
W/E 4/8/94

- PM-USA's weekly shipments of 4.5 billion units was +80.7% above forecast, more than 100% above last year and +30.1% above last week.
 - Adjusted for McLane's excess purchases this week, PM's volume would have been approximately 4 billion units.
- Industry volume for the week increased 23.8% to 10.2 billion units, primarily due to Good Friday warehouse closings last week.
 - All manufacturers except Liggett were up versus last week.
- PM-USA's industry share increased +2.2 share points from last week to 44.6%.
- On a 13 week moving basis, PM-USA's share of 43.5% remains above forecast.

2023656305

BENCHMARKS - TOTAL US
SHIPMENTS 13 WEEK MOVING

	<u>Benchmarks</u>	<u>13 Weeks Ending 11-Apr</u>	<u>Current vs. Benchmark</u>
Philip Morris	42.0	43.5	1.5 Favorable
Marlboro	24.9	26.2	1.3 Favorable
OPB	7.8	8.3	0.5 Favorable
Virginia Slims	2.2	2.4	0.2 Favorable
Benson & Hedges	2.5	2.6	0.1 Favorable
Merit	2.3	2.4	0.1 Favorable
Parliament	0.6	0.6	0.0 Favorable
Basic-Share of Discount	14.2	14.3	0.1 Favorable
Private Label-Share of Market	8.5	7.0*	1.5 Favorable
C-Store Pack Price Lowest			
Discount**	\$1.34	\$1.33	(\$0.01) Unfavorable

*Reflects most current data for three months ending February 1994.

**Reflects a change in pricing data source from Market Decisions to Nielsen.

20236596202

Ship (13wm) trigger hh

SHIPMENTS
(To All Direct Accounts)

<u>COMPANY</u>	<u>PM</u>	<u>BJB</u>	<u>B&W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
13 wk Base Jan. 7, 1994	43.75	27.51	11.63	6.92	7.56	2.61
April 8, 1994 (13wm)	<u>43.46</u>	<u>28.09</u>	<u>11.31</u>	<u>7.19</u>	<u>7.52</u>	<u>2.40</u>
	(0.29)	0.58	(0.32)	0.27	(0.04)	(0.21)
<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>				
13 wk Base Jan. 7, 1994	66.04	33.96				
April 8, 1994 (13wm)	<u>66.46</u>	<u>33.54</u>				
	0.42	(0.42)				
<u>PM MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>V. Slims</u>	<u>B & H</u>	<u>Merit</u>	<u>Parliament</u>
13 wk Base Jan. 7, 1994	25.95	8.17	2.31	2.60	2.40	0.64
April 8, 1994 (13wm)	<u>26.19</u>	<u>8.25</u>	<u>2.40</u>	<u>2.61</u>	<u>2.38</u>	<u>0.65</u>
	0.25	0.08	0.09	0.01	(0.02)	0.01
<u>PM BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Bristol</u>	<u>Alpine</u>		
13 wk Base Jan. 7, 1994	5.10	1.75	0.22	0.39		
April 8, 1994 (13wm)	<u>4.81</u>	<u>1.79</u>	<u>0.20</u>	<u>0.35</u>		
	(0.29)	0.04	(0.01)	(0.04)		
<u>PM PRIVATE LABEL</u>	<u>PM</u>					
13 wk Base Jan. 7, 1994	2.10					
April 8, 1994 (13wm)	<u>1.78</u>					
	(0.31)					

2023656307

INDUSTRY VOLUME INCREASED +23.8% VERSUS LAST WEEK PRIMARILY DUE TO GOOD FRIDAY WAREHOUSE CLOSINGS. ALL MANUFACTURERS EXCEPT LIGGETT WERE UP.

**WEEKLY VOLUME
4/8 VS 4/1**

	<u>4/8/94</u>	<u>4/1/94</u>	<u>3/25/94</u>	DIFF VS. <u>PREV. WEEK</u>	<u>% CHANGE</u>
INDUSTRY	10,171	8,213	8,467	1,958	23.8%
PM	4,538	3,487	3,749	1,051	30.1%
RJ REYNOLDS	2,844	2,099	2,108	745	35.5%
B & W	1,193	998	1,033	195	19.5%
LORILLARD	687	667	698	20	3.0%
AMERICAN	723	643	628	80	12.4%
LIGGETT	184	316	250	(132)	-41.8%

8089598202

MFR CHANGES 4/8 VS 4/1

PRELIMINARY WEEKLY VOLUME AND SHARE

W/E 4/8/94

WEEK

INDUSTRY	<u>VOLUME</u>			<u>SHARE</u>		<u>VOLUME</u>		
	<u>VOLUME</u>	<u>DIFF VS 1993</u>	<u>%CHANGE VS 1993</u>	<u>SHARE</u>	<u>DIFF VS 1993</u>	<u>FCST</u>	<u>DIFF VS FCST</u>	<u>%CHANGE VS FCST</u>
INDUSTRY	10,171	4,864	91.6%			7,895	2,276	28.8%
PHILIP MORRIS	4,538	2,690	145.5%	44.61	9.79	2,511	2,027	80.7%
R.J. REYNOLDS	2,844	1,183	71.2%	27.96	-3.34	2,803	41	1.5%
B&W	1,193	542	83.4%	11.73	-0.53	1,082	111	10.3%
LORILLARD	687	90	15.0%	6.76	-4.50	690	-3	-0.4%
AMERICAN	723	359	98.9%	7.11	0.26	618	105	16.9%
LIGGETT	184	-1	-0.5%	1.81	-1.68	191	-7	-3.5%

INDUSTRY	<u>DISCOUNT</u>			<u>PREMIUM</u>		
	<u>VOLUME</u>	<u>SHARE</u>	<u>%CONT.</u>	<u>VOLUME</u>	<u>SHARE</u>	<u>%CONT.</u>
INDUSTRY	3,325	32.69		6,846	67.31	
PHILIP MORRIS	904	27.19	19.9%	3,634	53.07	80.1%
R.J. REYNOLDS	1,119	33.65	39.3%	1,725	25.20	60.7%
B&W	702	21.11	58.9%	491	7.17	41.1%
LORILLARD	31	0.93	4.5%	656	9.59	95.5%
AMERICAN	433	13.01	59.9%	290	4.24	40.1%
LIGGETT	136	4.08	73.6%	49	0.71	26.4%

20236596309

**PRELIMINARY VOLUME AND SHARE
W/E 4/8/94**

TOTAL INDUSTRY YEAR TO DATE

INDUSTRY	VOLUME	DIFF	%CHANGE	SHARE	DIFF	FCST	VOLUME	%CHANGE
		VS 1993	VS 1993		VS 1993		DIFF VS FCST	VS FCST
INDUSTRY	128,407	12,315	10.8%			120,169	6,238	5.2%
PHILIP MORRIS	54,873	7,973	17.0%	43.41	2.30	50,374	4,499	8.0%
R.J. REYNOLDS	35,711	-2,254	-5.9%	28.25	-5.03	36,081	-370	-1.0%
B&W	14,322	3,692	34.7%	11.33	2.01	14,050	272	1.9%
LORILLARD	9,438	1,794	23.5%	7.47	0.77	9,131	307	3.4%
AMERICAN	9,084	996	12.3%	7.19	0.10	8,021	1,063	13.3%
UGGETT	2,954	112	3.9%	2.34	-0.15	2,512	442	17.6%

DISCOUNT YEAR TO DATE

INDUSTRY	VOLUME	DIFF	%CHANGE	SHARE	DIFF
		VS 1993	VS 1993		VS 1993
INDUSTRY	42,389	-2,996	-6.6%	39.53	-6.25
PHILIP MORRIS	11,398	-2,378	-17.3%	26.89	-3.46
R.J. REYNOLDS	14,841	-3,117	-17.4%	35.01	-4.66
B&W	8,530	1,283	17.7%	20.12	4.15
LORILLARD	403	-43	-9.7%	0.95	-0.03
AMERICAN	4,960	929	23.0%	11.70	2.82
UGGETT	2,255	329	17.1%	5.32	1.08

PREMIUM YEAR TO DATE

INDUSTRY	VOLUME	DIFF	%CHANGE	SHARE	DIFF
		VS 1993	VS 1993		VS 1993
INDUSTRY	84,018	15,311	22.3%	66.47	6.25
PHILIP MORRIS	43,475	10,351	31.2%	51.75	3.53
R.J. REYNOLDS	20,870	863	4.3%	24.84	-4.28
B&W	5,792	2,409	71.2%	6.89	1.97
LORILLARD	9,035	1,837	25.6%	10.75	0.28
AMERICAN	4,125	67	1.7%	4.91	-1.00
UGGETT	699	-217	-23.7%	0.83	-0.50

2023659310

13WM AVERAGE BY COMPETITOR W/E 4/8/94

INDUSTRY	VOLUME	DIFF % CHANGE		SHARE	DIFF VS PRIOR 13 WKS
		VS PRIOR 13 WKS	VS PRIOR 13 WKS		
	9,135	-10	-0.1%		
PHILIP MORRIS	3,970	-31	-0.8%	43.46	-0.29
R.J. REYNOLDS	2,566	50	2.0%	28.09	0.58
B&W	1,033	-30	-2.8%	11.31	-0.32
LORILLARD	687	-5	-0.7%	7.52	-0.04
AMERICAN	657	24	3.8%	7.19	0.27
LIGGETT	220	-19	-7.9%	2.40	-0.21

DISCOUNT

INDUSTRY	VOLUME	DIFF % CHANGE		SHARE OF CAT.	DIFF VS PRIOR 13 WKS
		VS PRIOR 13 WKS	VS PRIOR 13 WKS		
	3,063	-42	-1.3%	33.54	-0.42
PHILIP MORRIS	824	-58	-6.5%	26.89	-1.49
R.J. REYNOLDS	1,068	32	3.1%	34.85	1.50
B&W	616	-26	-4.1%	20.11	-0.57
LORILLARD	29	3	13.5%	0.95	0.12
AMERICAN	358	24	7.1%	11.70	0.92
LIGGETT	168	-17	-9.3%	5.48	-0.48

PREMIUM

INDUSTRY	VOLUME	DIFF % CHANGE		SHARE OF CAT.	DIFF VS PRIOR 13 WKS
		VS PRIOR 13 WKS	VS PRIOR 13 WKS		
	6,071	32	0.5%	66.46	0.42
PHILIP MORRIS	3,147	27	0.9%	51.83	0.17
R.J. REYNOLDS	1,499	18	1.2%	24.68	0.18
B&W	417	-4	-1.0%	6.87	-0.10
LORILLARD	658	-8	-1.2%	10.84	-0.19
AMERICAN	299	0	0.1%	4.92	-0.02
LIGGETT	52	-2	-3.1%	0.85	-0.03

	1994 BENCHMARK	13WM ACTUAL	DIFF.	BENCHMARK GUIDELINE
PM-USA:	42.00	43.46	1.46	FAVORABLE
MARLBORO SHARE OF INDUSTRY	24.90	26.20	1.30	FAVORABLE
BASIC SHARE OF DISCOUNT	14.20	14.35	0.15	FAVORABLE

118959E202

Philip Morris USA

PM SHIPMENTS TO MCLANE EXCEEDED NORM FOR THE FIRST TIME IN SIX WEEKS.
MCLANE'S SALES TO RETAIL CONTINUED TO INCREASE.

TOTAL PM VOLUME MCLANE (millions of cigarettes)

<u>Week ending</u>	<u>PM shipped to McLane</u>	<u>McLane shipped to Retailers</u>	<u>Difference</u>
1/14	105.5	437.2	-331.7
1/21	135.4	426.8	-291.4
1/28	378.6	415.1	-36.5
2/4	1,945.0	431.9	1,513.1
2/11	773.1	443.2	329.9
2/18	540.1	445.8	94.3
2/25	522.9	461.5	61.4
3/4	209.5	475.5	-266.0
3/11	108.6	482.5	-373.9
3/18	391.8	533.6	-141.8
3/25	241.2	516.3	-275.1
4/1	155.3	558.9	-403.6
4/8	962.8	N/A	N/A

All volumes exclude ten Sam's Clubs in Michigan purchasing directly from PM.

* Includes approximately 400 million units from previous week's allocation.

PM-USA WEEKLY PERFORMANCE

	<u>1/21</u>	<u>1/28</u>	<u>2/4</u>	<u>2/11</u>	<u>2/18</u>	<u>2/25</u>	<u>3/4</u>	<u>3/11</u>	<u>3/18</u>	<u>3/25</u>	<u>4/1</u>	<u>4/8</u>	2Q	
													2Q OB WEEKLY TARGET	UPDATED WEEKLY TARGET
MARLBORO	1,935	2,358	3,470	2,597	2,498	2,332	2,289	2,236	2,427	2,196	2,102	2,787	2,359	2,517
B&H	184	216	347	271	310	243	239	237	226	197	179	264	226	239
MERIT	191	226	323	230	234	205	201	198	212	192	181	247	215	219
V.SLIMS	183	219	321	236	232	214	213	203	216	191	183	251	211	220
PARLIAMENT	51	56	74	61	66	54	63	62	58	56	52	63	63	60
OTHER PREMIUM	17	18	25	20	20	19	19	18	19	16	16	21	20	19
CANADIAN	1	0	3	1	1	0	0	0	0	0	0	0	3	0
TOTAL PREMIUM	2,562	3,093	4,562	3,416	3,361	3,067	3,024	2,954	3,158	2,848	2,713	3,634	3,097	3,274
CAMBRIDGE	131	142	174	169	159	188	179	219	170	153	133	175	170	162
ALPINE	27	29	34	36	33	32	33	38	34	29	29	37	40	35
BUCKS	2	3	3	4	3	3	3	3	3	3	3	3	3	3
FVB	138	145	190	171	175	164	161	152	174	155	155	193	175	167
BASIC	383	460	501	461	450	414	416	413	423	541	435	472	475	447
BRISTOL	14	18	21	21	20	20	20	19	22	16	15	19	20	15
PLAYERS 25	5	4	4	4	4	4	4	4	3	4	4	4	3	3
TOTAL DISCOUNT	700	800	927	866	844	825	816	847	829	900	774	904	886	832
TOTAL PM-USA	3,262	3,893	5,489	4,282	4,205	3,892	3,840	3,801	3,988	3,749	3,487	4,538	3,983	4,106

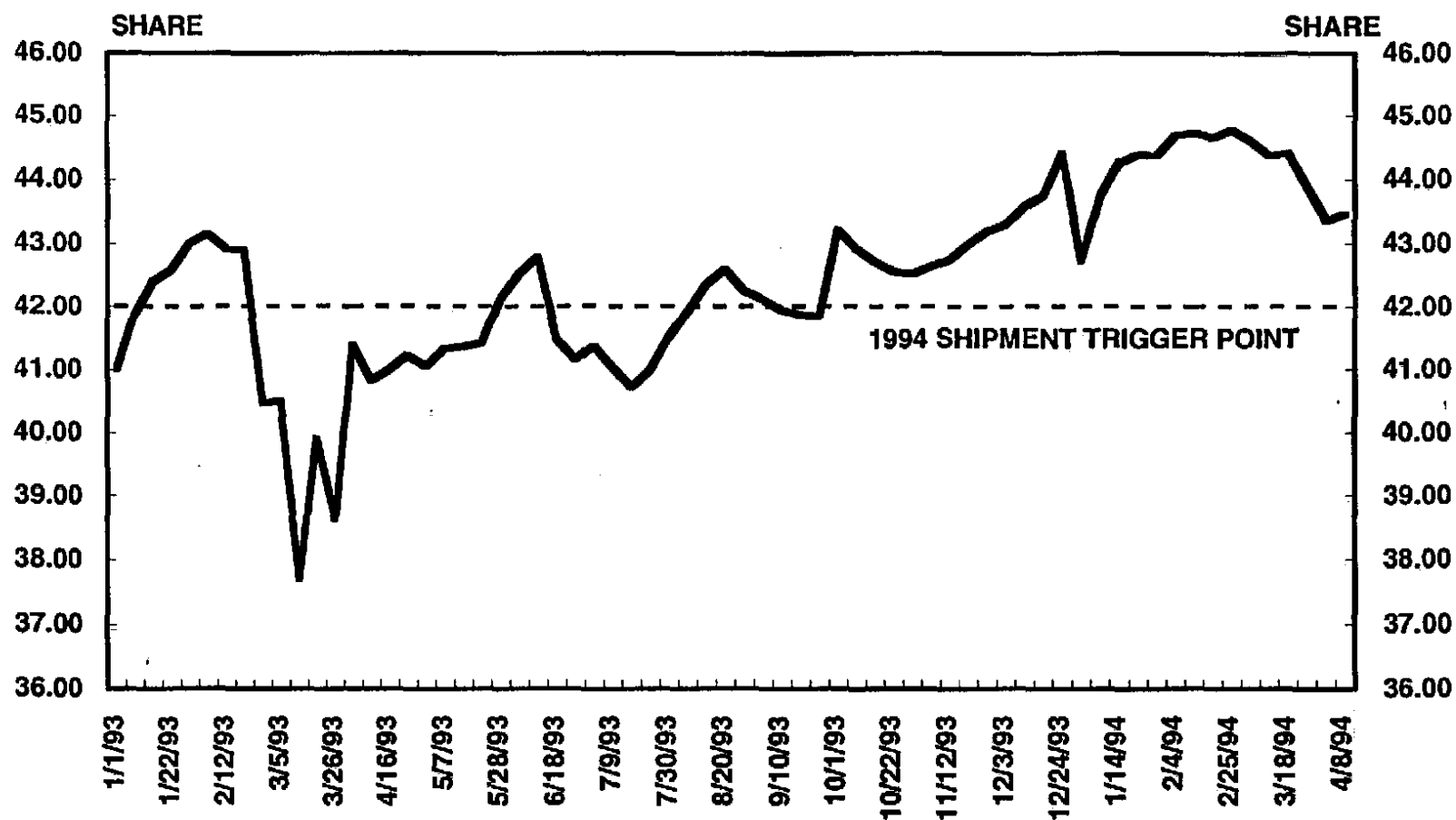
2023656313

PM-USA WEEKLY PERFORMANCE

													2Q	
													2Q OB	UPDATED
													WEEKLY	WEEKLY
													TARGET	TARGET
	<u>1/21</u>	<u>1/28</u>	<u>2/4</u>	<u>2/11</u>	<u>2/18</u>	<u>2/25</u>	<u>3/4</u>	<u>3/11</u>	<u>3/18</u>	<u>3/25</u>	<u>4/1</u>	<u>4/8</u>		
MARLBORO	24.33	26.07	30.88	27.27	26.08	26.07	24.77	24.31	26.52	25.93	25.59	27.40	25.19	26.84
B&H	2.31	2.39	3.09	2.84	3.24	2.72	2.58	2.58	2.46	2.32	2.18	2.60	2.42	2.56
MERIT	2.40	2.50	2.87	2.41	2.44	2.29	2.17	2.15	2.31	2.27	2.21	2.43	2.30	2.34
V.SLIMS	2.30	2.42	2.86	2.48	2.42	2.40	2.30	2.21	2.36	2.26	2.22	2.47	2.25	2.35
PARLIAMENT	0.64	0.62	0.65	0.64	0.69	0.60	0.68	0.67	0.64	0.66	0.64	0.62	0.67	0.64
OTHER PREMIUM	0.21	0.20	0.23	0.21	0.21	0.21	0.20	0.20	0.21	0.20	0.20	0.21	0.21	0.20
CANADIAN	0.02	0.00	0.02	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.00
TOTAL PREMIUM	32.21	34.20	40.60	35.86	35.09	34.29	32.70	32.12	34.50	33.64	33.04	35.73	33.07	34.93
CAMBRIDGE	1.65	1.57	1.54	1.76	1.65	2.09	1.93	2.37	1.84	1.80	1.61	1.71	1.82	1.73
ALPINE	0.34	0.32	0.30	0.38	0.35	0.35	0.36	0.41	0.37	0.34	0.36	0.37	0.43	0.37
BUCKS	0.03	0.03	0.03	0.04	0.04	0.04	0.03	0.03	0.04	0.03	0.03	0.03	0.03	0.03
FVB	1.74	1.61	1.70	1.80	1.83	1.84	1.75	1.66	1.91	1.83	1.89	1.89	1.87	1.78
BASIC	4.81	5.08	4.47	4.85	4.69	4.63	4.51	4.49	4.62	6.39	5.30	4.64	5.07	4.77
BRISTOL	0.18	0.19	0.18	0.23	0.20	0.22	0.21	0.20	0.24	0.19	0.18	0.19	0.21	0.16
PLAYERS 25	0.05	0.04	0.04	0.04	0.04	0.04	0.05	0.04	0.04	0.05	0.06	0.05	0.03	0.03
TOTAL DISCOUNT	8.80	8.84	8.26	9.10	8.80	9.21	8.84	9.20	9.06	10.63	9.43	8.88	9.46	8.87
TOTAL PM-USA	41.01	43.04	48.86	44.96	43.89	43.50	41.54	41.32	43.56	44.27	42.47	44.61	42.53	43.80

2023656314

PM SHARE OF MARKET 13 WEEK MOVING AVERAGE

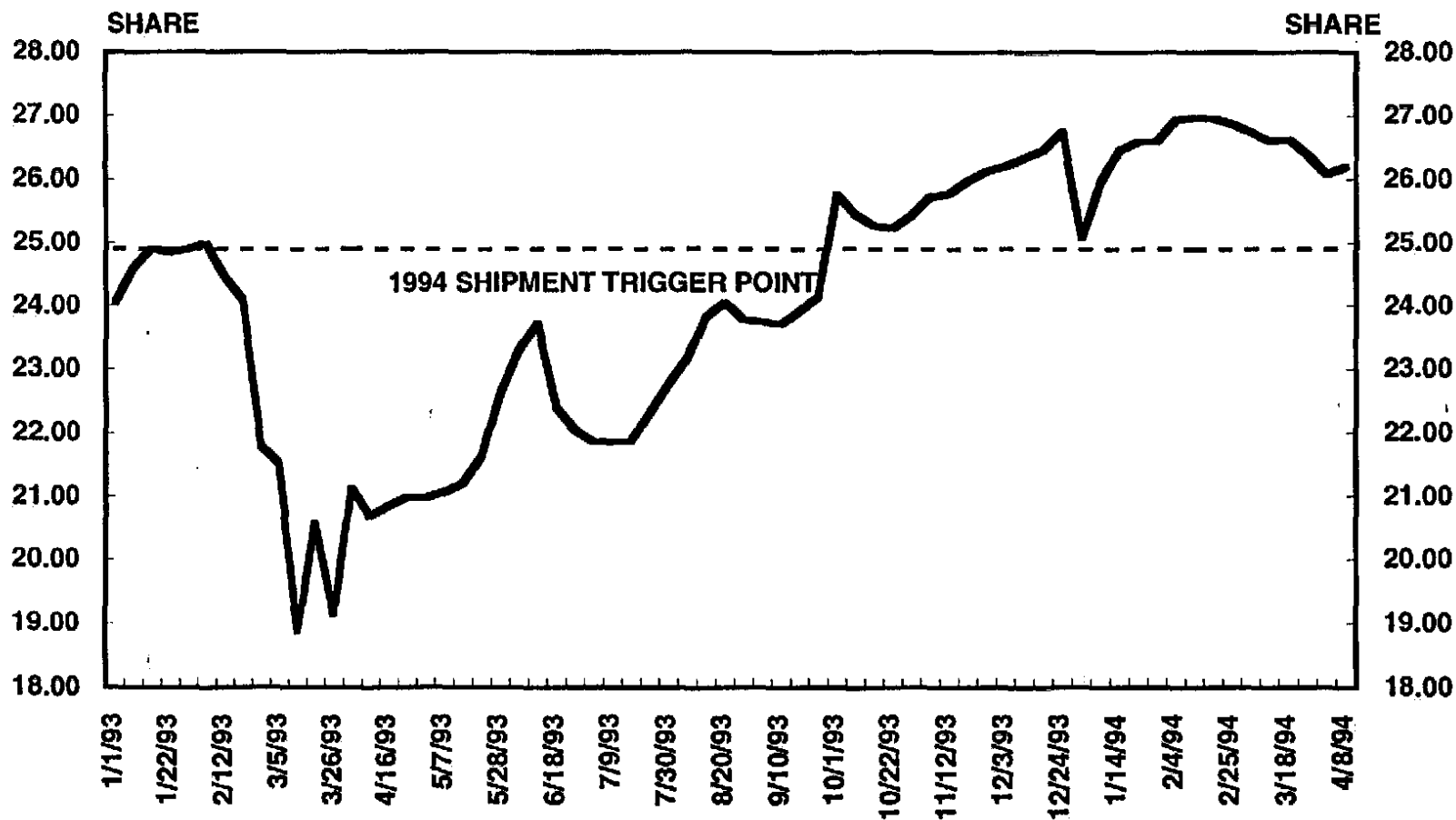


2023656315

SOURCE: MSA SHIPMENTS

13WM BRANDS Chart 1

MARLBORO SHARE OF MARKET 13 WEEK MOVING AVERAGE

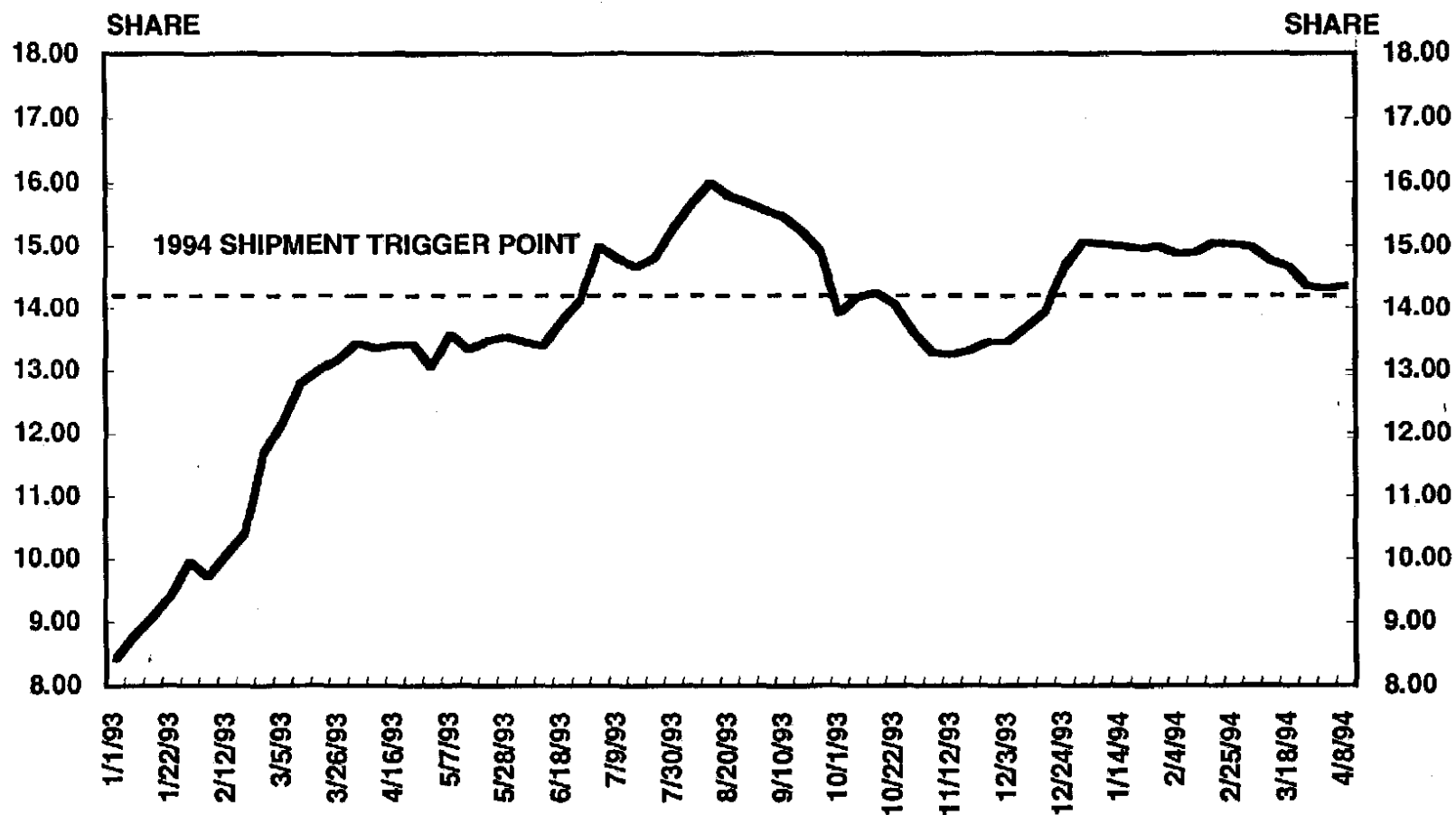


2023656316

SOURCE: MSA SHIPMENTS

13WM BRANDS Chart 2

BASIC SHARE OF DISCOUNT 13 WEEK MOVING AVERAGE



2023656317

SOURCE: MSA SHIPMENTS

13WM BRANDS Chart 4

2023656318

PRICING

PRICING

4/2

- Premium pack prices remained stable (\$1.91). Lowest Discount prices increased in more stores than they decreased this week, raising their average price +1¢ to \$1.33.
 - The resulting price gap decreased -1¢ to 58¢ or 43.6%.
 - Branded Discounts and RJR Private Labels increased their prices this week.
- In Supermarkets, both Marlboro and Lowest Discount's carton prices decreased -5¢ and -4¢, respectively. The resulting price gap decreased -1¢ to \$4.69 or 40.2%.
- 99¢ incidence was lower for the second consecutive week to 15% of C-stores with American Private Label brands contributing most of this week-to-week variation.
- Basic sells at >10¢ above the Lowest Discount brand in 67% of stores, -1% lower week to week.
 - This marks the first decrease in six consecutive weeks.

2023556319

Premium pack prices remained stable while Lowest Discount prices increased in more C-stores than they decreased in, raising their average price +1¢ to \$1.33.

	% of C-stores		
	<u>Unchanged</u>	<u>Increased</u>	<u>Decreased</u>
Marlboro	95%	3%	2%
Basic	93%	4%	3%
Doral	85%	6%	9%
GPC	87%	4%	9%
RJR P/L	90%	4%	6%
Lowest Discount	82%	10%	8%
Marlboro Gap *	79%	10%	11%
Basic Gap **	81%	8%	11%

* Marlboro vs. Lowest Discount brand in same store.

** Basic vs. Lowest Discount brand in same store.

SOURCE: NIELSEN PRICING AUDIT

2023656320

Marlboro's pack price remained stable while Lowest Discount's pack price increased, offsetting the prior week's decrease.

**C-STORE
PACKS**

	<u>3/12</u>	<u>3/19</u>	<u>3/26</u>	<u>4/2</u>	<u>Change Prior Week</u>
Marlboro (net)	\$1.91	\$1.91	\$1.91	\$1.91	\$0.00
Lowest Discount	1.33	1.33	1.32	1.33	\$0.01
\$ Gap	0.58	0.58	0.59	0.58	(\$0.01)
% Gap	43.6%	43.6%	44.7%	43.6%	-1.1%

**SUPERMARKET
CARTONS**

Marlboro (net)	\$16.32	\$16.43	\$16.40	\$16.35	(\$0.05)
Lowest Discount	11.64	11.63	11.70	11.66	(\$0.04)
\$ Gap	4.68	4.80	4.70	4.69	(\$0.01)
% Gap	40.2%	41.3%	40.2%	40.2%	0.0%

SOURCE: NIELSEN PRICING AUDIT

2023656321

Marlboro's net pack price gap with Lowest Discount decreased in regions 4 and 5.

	<u>4/2</u>				Change
	<u>Marlboro</u>	<u>Lowest Discount</u>	<u>\$ GAP</u>	<u>% GAP</u>	<u>From 3/26</u>
NATIONAL	1.91	1.33	\$0.58	43.6%	(\$0.01)
R1	2.09	1.54	\$0.55	35.7%	\$0.00
R2	1.78	1.20	\$0.58	48.3%	\$0.00
R3	1.91	1.32	\$0.59	44.7%	\$0.01
R4	1.80	1.27	\$0.53	41.7%	(\$0.01)
R5	2.07	1.39	\$0.68	48.9%	(\$0.02)

SOURCE: NIELSEN PRICING AUDIT

2023656322

≤99¢ incidence decreased to 15%.

		Change vs. <u>1 WAGO</u>	Change vs. <u>4 WAGO</u>	Weighted Avg. <u>State Tax</u>
NATIONAL	<u>3/26</u> 14.9%	-0.8	1.6	\$0.29
R1	0.0%	0.0	0.0	\$0.43
R2	25.3%	-1.3	2.2	\$0.18
R3	15.8%	2.5	1.7	\$0.31
R4	23.0%	1.1	5.9	\$0.26
R5	3.1%	-7.8	-4.6	\$0.33

NOTE: Incidence has been restated to reflect all Discount brands instead of only Deep Discount brands.

SOURCE: NIELSEN PRICING AUDIT

2023656323

Across all common C-stores, Basic's NET average pack price gap decreased with Lowest Discount but widened with GPC.

	<u>3/12</u>	<u>3/19</u>	<u>3/26</u>	<u>4/2</u>	Change vs. <u>Prior Week</u> (\$0.01)
Basic	\$1.53	\$1.53	\$1.54	\$1.53	
Same Store Gaps					
GPC	0.12	0.12	0.12	0.13	0.01
Monarch	0.05	0.06	0.06	0.06	0.00
Lowest Discount	0.20	0.21	0.22	0.21	-0.01

SOURCE: NIELSEN PRICING AUDIT

2023656324

The number of stores where Basic's pack price > Lowest Discount by more than 10¢ decreased for the first time in 6 weeks.

Basic vs. Lowest Discount in C-stores							
	<u>2/19</u>	<u>2/26</u>	<u>3/5</u>	<u>3/12</u>	<u>3/19</u>	<u>3/26</u>	<u>4/2</u>
# SAME STORES	328	323	320	322	329	322	330
<u>BASIC > LOWEST DISC. BY 10¢*</u>							
# STORES	198	207	209	213	220	221	222
% STORES	60%	64%	65%	66%	67%	69%	67%
<u>PRICE DISADVANTAGE *</u>							
AVG. \$	\$0.30	\$0.31	\$0.29	\$0.30	\$0.29	\$0.30	\$0.30
MAXIMUM	\$0.70	\$0.86	\$0.60	\$0.86	\$0.86	\$0.82	\$0.86
MINIMUM	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.12

* All comparisons are based on stores with both brands in distribution.

** Price disadvantage ONLY in stores where Basic's price > Lowest Discount by more than 10¢.

SOURCE: NIELSEN PRICING PANEL

2023656325

The number of stores where Basic's pack price > GPC by more than 10¢ increased 5 points week to week while the average \$ gap decreased to 24¢.

Basic vs. GPC in C-stores							
	<u>2/19</u>	<u>2/26</u>	<u>3/5</u>	<u>3/12</u>	<u>3/19</u>	<u>3/26</u>	<u>4/2</u>
# SAME STORES	206	212	205	205	218	209	220
<u>BASIC > GPC by 10¢*</u>							
# STORES	84	88	89	91	99	95	113
% STORES	41%	42%	43%	44%	45%	46%	51%
<u>PRICE DISADVANTAGE *</u>							
AVG. \$	\$0.25	\$0.26	\$0.24	\$0.24	\$0.25	\$0.25	\$0.24
MAXIMUM	\$0.68	\$0.70	\$0.50	\$0.68	\$0.68	\$0.68	\$0.68
MINIMUM	\$0.11	\$0.11	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14

* All comparisons are based on stores with both brands in distribution.

** Price disadvantage ONLY in stores where Basic's price > GPC by more than 10¢.

SOURCE: NIELSEN PRICING PANEL

2023656326

2023656327

NIELSEN

PM'S ALL OUTLET COMBINED PERFORMANCE WEEKLY INTEGRATED NIELSEN W/E 3/26/94

- On a four week basis, all brand trends remain stable, but with some volatility noted week to week.
- PM's weekly share declined -0.2 points versus week ago to 45.7%, as Discount's losses more than offset Other Premium Brands modest gains.
- Marlboro's share was stable week to week (27.5%), advancing +0.1 points to 27.4 on a four week basis.
- PM's Other Premium Brands' weekly and monthly shares (9.1) were relatively flat.
- PM's Discount Brands' share declined -0.3 points versus week ago to 9.1%, driven by Private Labels/AAV.
- RJR's weekly share gained +0.1 points to 29.5%, as gains by their Premium brands (primarily Winston and Camel) offset relatively stable Discount Brands.
- The Discount category's share declined -0.4 points versus week ago to 32.3% with declines by both Private Label (-0.1) and Branded Discount (-0.3).
 - Recent PL gains have largely held but have not expanded the Total Discount category over the past two months.

82C959E202

BENCHMARKS - TOTAL US
WEEKLY INTEGRATED NIELSEN

	<u>Target</u>	<u>Benchmarks*</u>	<u>4 w/e 26-Mar</u>	<u>Current vs. Benchmark</u>
Philip Morris	44.2	44.5 (lower limit)	45.6	1.1 Favorable
Marlboro	25.7	26.3 (lower limit)	27.4	1.1 Favorable
OPB	8.8	8.9 (lower limit)	9.1	0.2 Favorable
Virginia Slims	2.7	2.7 (lower limit)	2.9	0.2 Favorable
Benson & Hedges	2.5	2.5 (lower limit)	2.6	0.1 Favorable
Merit	2.8	2.8 (lower limit)	2.9	0.1 Favorable
Parliament	0.6	0.6 (lower limit)	0.6	0.0 Favorable
Basic Shr. of Disc. (SOC)	15.1	14.5 (lower limit)	14.3	0.2 Unfavorable
Discount Category	34.5	+2.0 Pts. (upper limit)**	32.5	2.0 Favorable
Private Label	8.5	9.0 (upper limit)	7.8	1.2 Favorable

* Revised to reflect 1994 First Revised Forecast.

** Annualized category growth (upper limit) is +2.0 points. First 6 months of 1994 total Discount category cannot exceed 34.5%.

62C959C202

Nlsn INT weekly bench

NIELSEN INTEGRATED DATA
(All Outlets Combined)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
Base March 1993	41.63	33.58	10.70	5.92	5.73	2.31
March 26, 1994 (4WM)	<u>45.63</u>	<u>29.42</u>	<u>10.05</u>	<u>6.28</u>	<u>6.43</u>	<u>2.03</u>
	4.00	(4.16)	(0.65)	0.36	0.70	(0.28)

<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>
Base March 1993	61.96	37.70	28.36	9.35
March 26, 1994 (4WM)	<u>67.39</u>	<u>32.50</u>	<u>24.72</u>	<u>7.77</u>
	5.43	(5.20)	(3.64)	(1.58)

<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>
Base March 1993	22.04	9.08	5.61	0.43	3.82
March 26, 1994 (4WM)	<u>27.37</u>	<u>9.10</u>	<u>5.98</u>	<u>0.94</u>	<u>4.22</u>
	5.33	0.04	0.37	0.51	0.40

<u>MAJOR BRANDS</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>	<u>Kool</u>	<u>Newport</u>
Base March 1993	4.22	1.72	0.80	3.27	3.24
March 26, 1994 (4WM)	<u>3.97</u>	<u>1.45</u>	<u>0.66</u>	<u>3.12</u>	<u>3.91</u>
	(0.25)	(0.27)	(0.14)	(0.15)	0.67

<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>
Base March 1993	4.00	2.25	0.52	4.27	0.88	0.93	2.81	3.51	4.48
March 26, 1994 (4WM)	<u>4.63</u>	<u>1.83</u>	<u>0.43</u>	<u>4.66</u>	<u>1.04</u>	<u>1.13</u>	<u>2.08</u>	<u>1.21</u>	<u>4.40</u>
	0.63	(0.42)	(0.09)	0.39	0.16	0.20	(0.73)	(2.30)	(0.08)

<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>
Base March 1993	2.96	4.74	1.22	0.43
March 26, 1994 (4WM)	<u>1.85</u>	<u>4.00</u>	<u>1.10</u>	<u>0.82</u>
	(1.11)	(0.74)	(0.12)	0.39

2036593202

NOTE: In the Integrated Nielsen Panel, Premium plus Discount does not equal Total due to the inclusion of miscellaneous promotional volume.

NIELSEN INTEGRATED DATA
(All Outlets Combined)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
Base July 1993	45.50	31.87	9.81	5.50	5.38	1.82
March 26, 1994 (4WM)	<u>45.63</u>	<u>29.42</u>	<u>10.05</u>	<u>6.28</u>	<u>6.43</u>	<u>2.03</u>
	0.13	(2.45)	0.24	0.78	1.05	0.21

<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>
Base July 1993	64.54	35.31	26.41	8.90
March 26, 1994 (4WM)	<u>67.39</u>	<u>32.50</u>	<u>24.72</u>	<u>7.77</u>
	2.85	(2.81)	(1.69)	(1.13)

<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>
Base July 1993	26.63	8.30	6.10	0.58	3.88
March 26, 1994 (4WM)	<u>27.37</u>	<u>9.10</u>	<u>5.98</u>	<u>0.94</u>	<u>4.22</u>
	0.74	0.80	(0.12)	0.36	0.34

<u>MAJOR BRANDS</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>	<u>Kool</u>	<u>Newport</u>
Base July 1993	3.91	1.49	0.68	3.01	3.17
March 26, 1994 (4WM)	<u>3.97</u>	<u>1.45</u>	<u>0.66</u>	<u>3.12</u>	<u>3.91</u>
	0.06	(0.04)	(0.02)	0.11	0.74

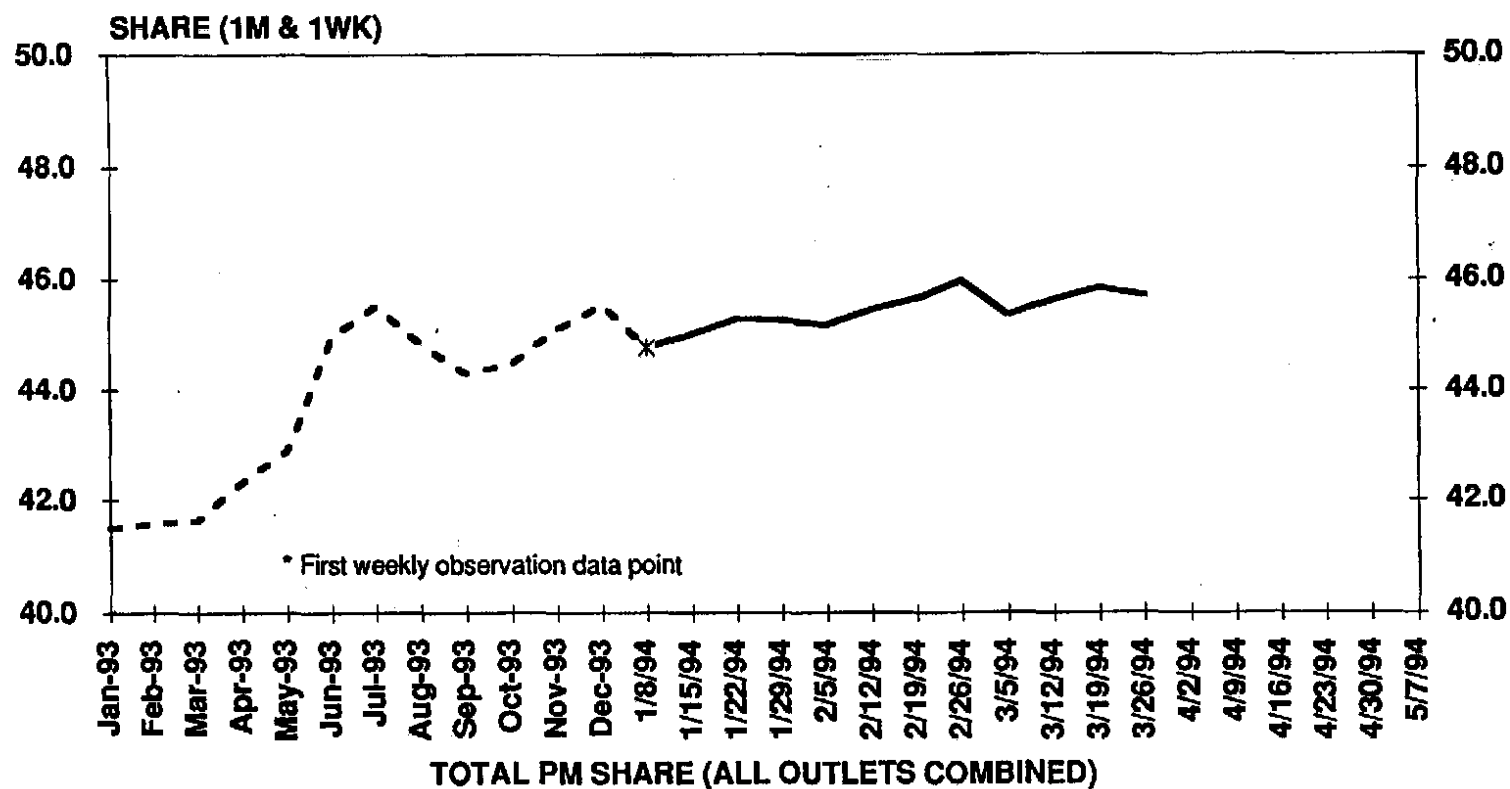
<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>
Base July 1993	4.95	1.94	0.44	4.66	0.83	0.83	2.43	2.27	4.13
March 26, 1994 (4WM)	<u>4.63</u>	<u>1.83</u>	<u>0.43</u>	<u>4.66</u>	<u>1.04</u>	<u>1.13</u>	<u>2.08</u>	<u>1.21</u>	<u>4.40</u>
	(0.32)	(0.11)	(0.01)	0.00	0.21	0.30	(0.35)	(1.06)	0.27

<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>
Base July 1993	2.75	4.63	0.97	0.55
March 26, 1994 (4WM)	<u>1.85</u>	<u>4.00</u>	<u>1.10</u>	<u>0.82</u>
	(0.90)	(0.63)	0.13	0.27

1CC9S9C20Z

NOTE: In the Integrated Nielsen Panel, Premium plus Discount does not equal Total due to the inclusion of miscellaneous promotional volume.

PM'S WEEKLY SHARE DECLINED -0.2 POINTS VERSUS WEEK AGO TO 45.7%.

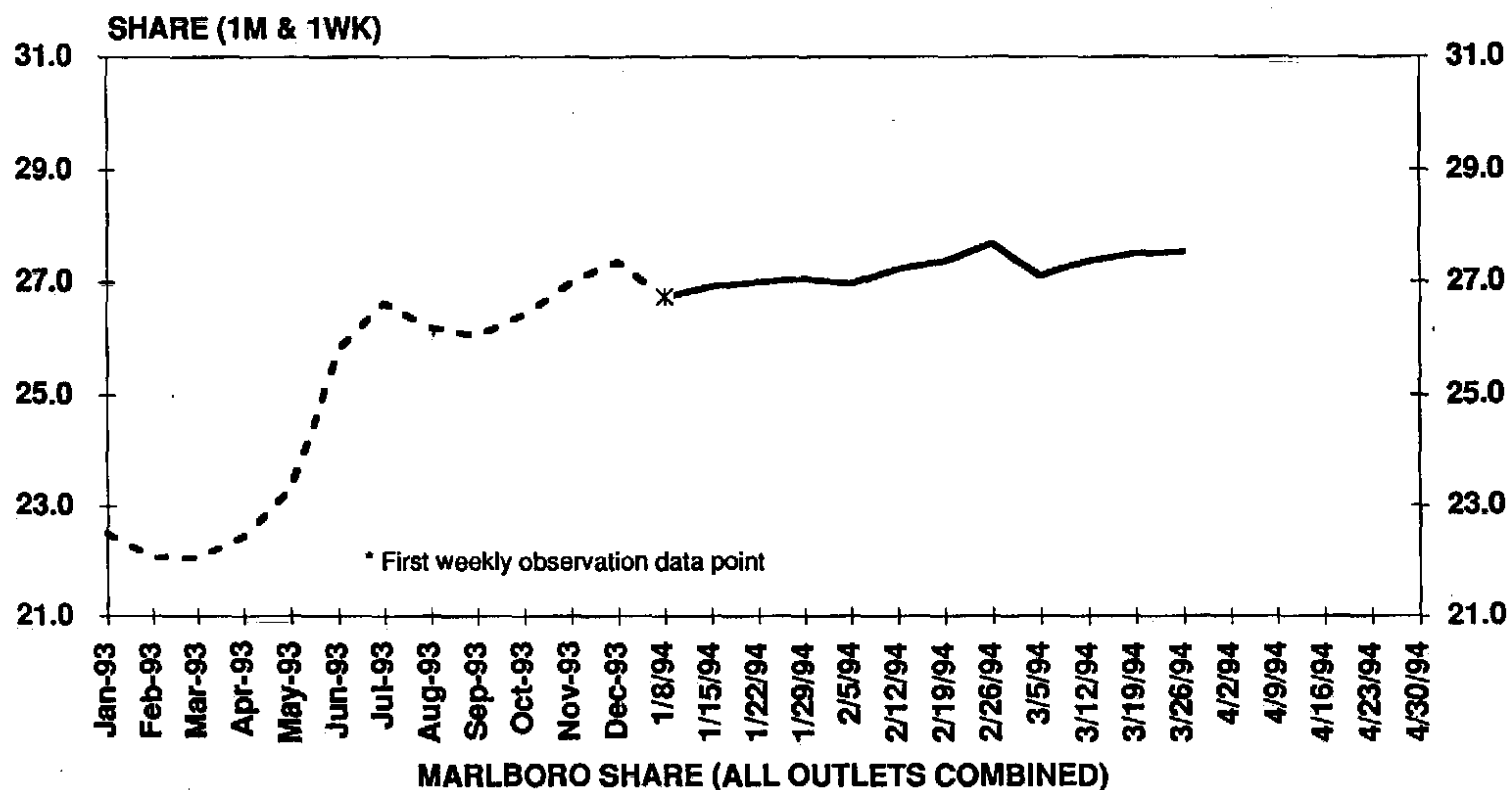


2023659C202

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 1

MARLBORO'S SHARE WAS RELATIVELY STABLE VERSUS WEEK AGO AT 27.5%, WHILE ON A FOUR WEEK BASIS ITS SHARE WAS UP +0.1 POINTS VERSUS THE PRIOR FOUR WEEK PERIOD TO 27.4%.

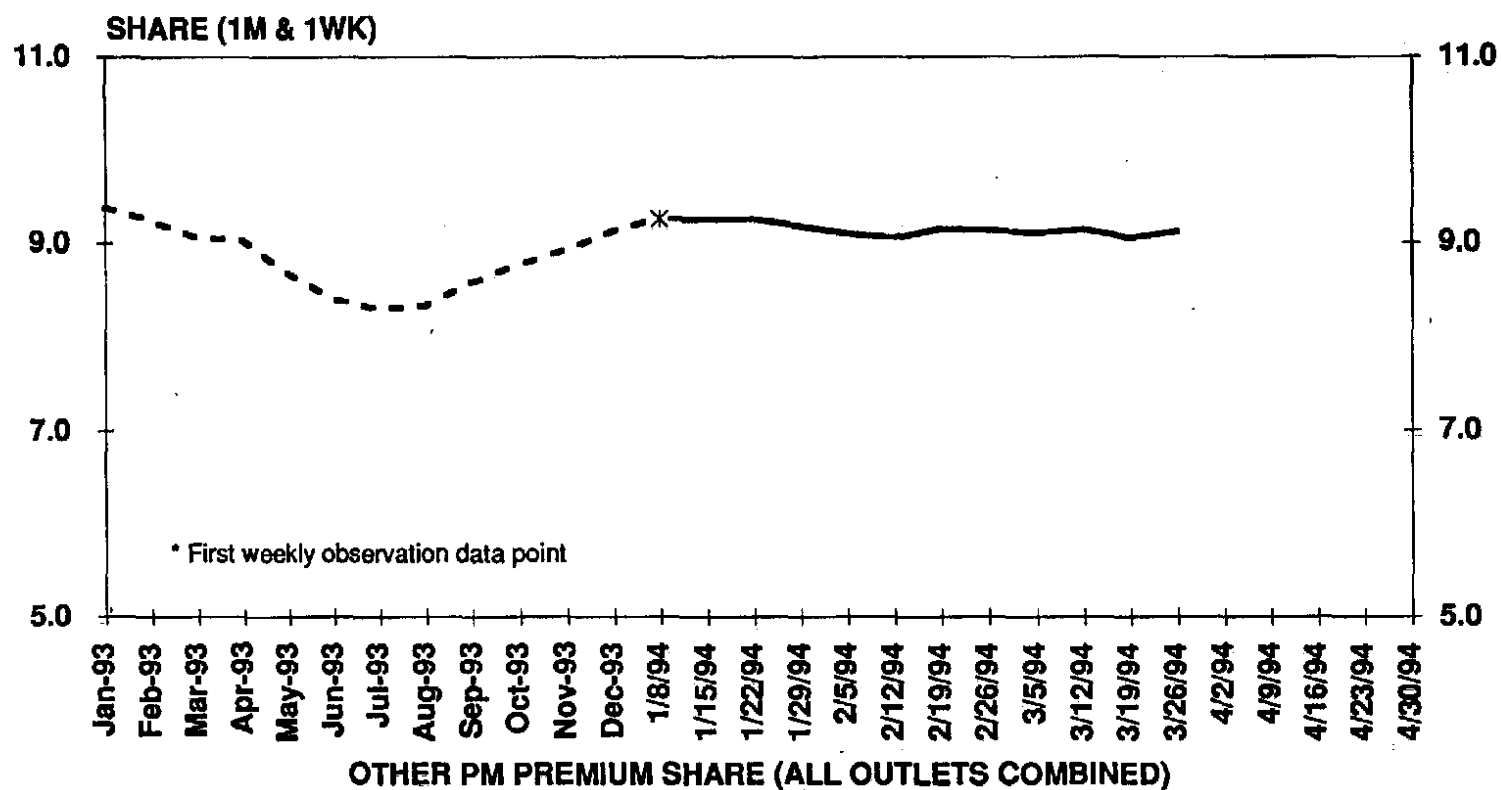


2023659333

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 4

PM OTHER PREMIUM BRAND'S SHARE ADVANCED +0.1 POINTS VERSUS WEEK AGO TO 9.1%.

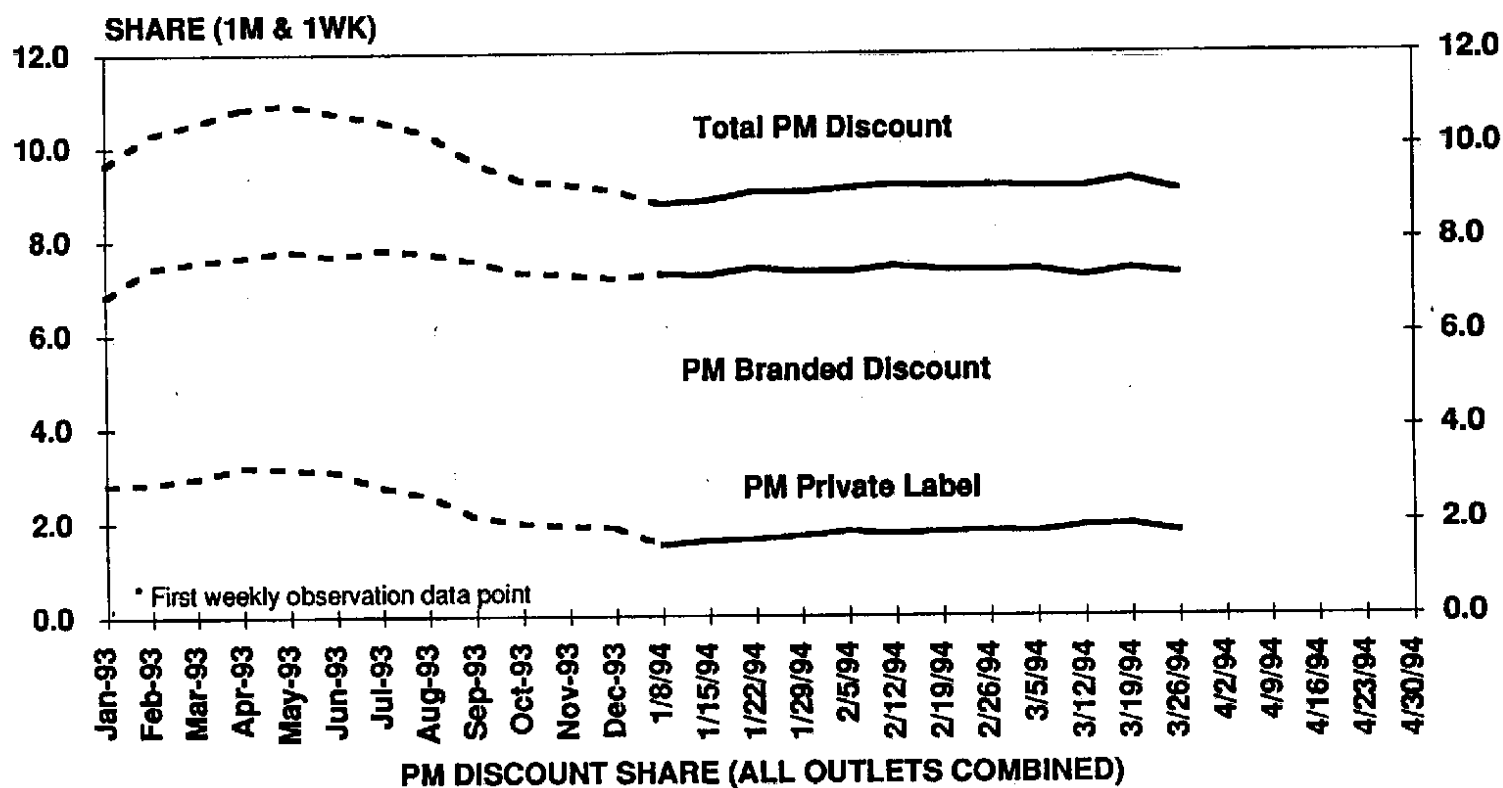


2023656334

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 2

PM'S DISCOUNT SHARE DECLINED -0.3 POINTS VERSUS WEEK-AGO TO 9.1%.

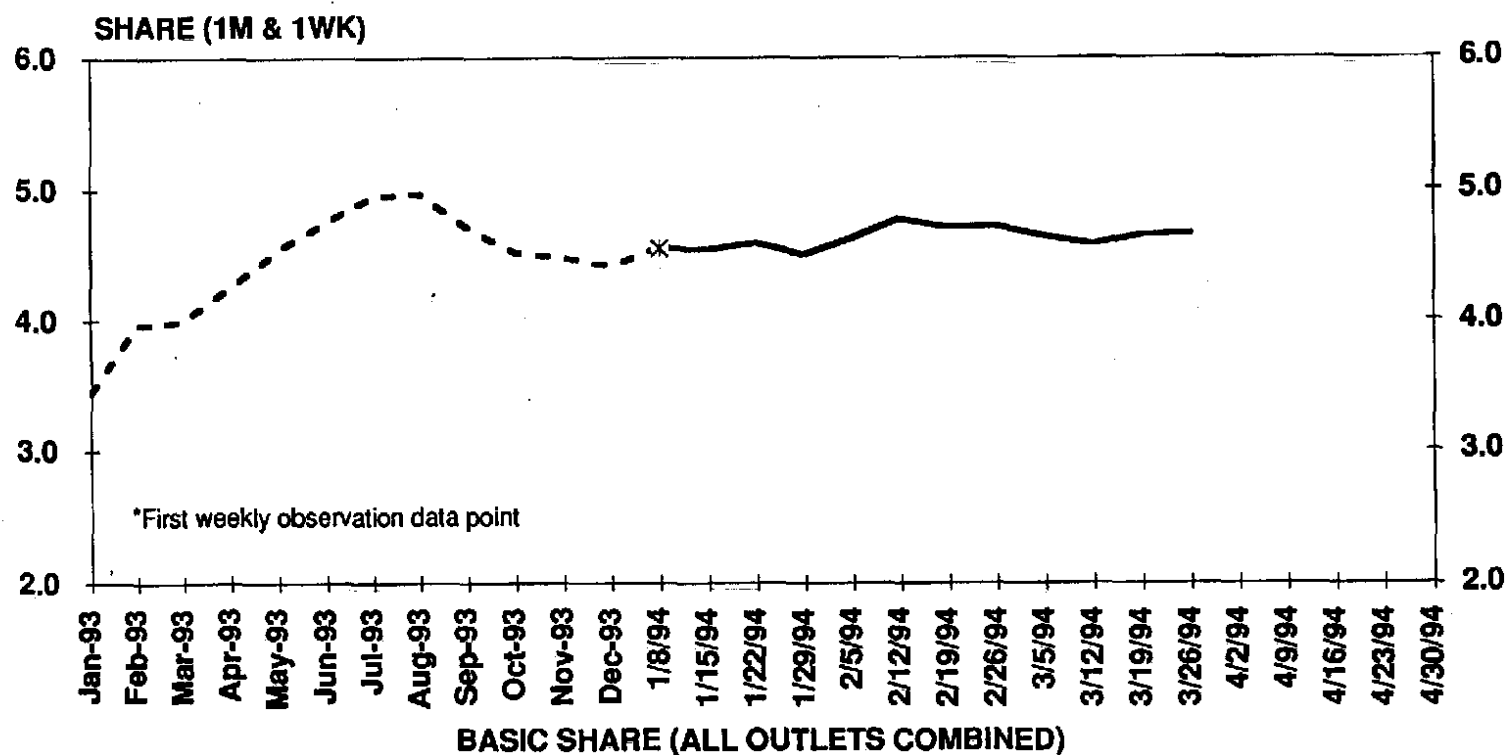


202365635

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 3

BASIC'S SHARE WAS RELATIVELY STABLE WEEK-TO-WEEK AT 4.7%.

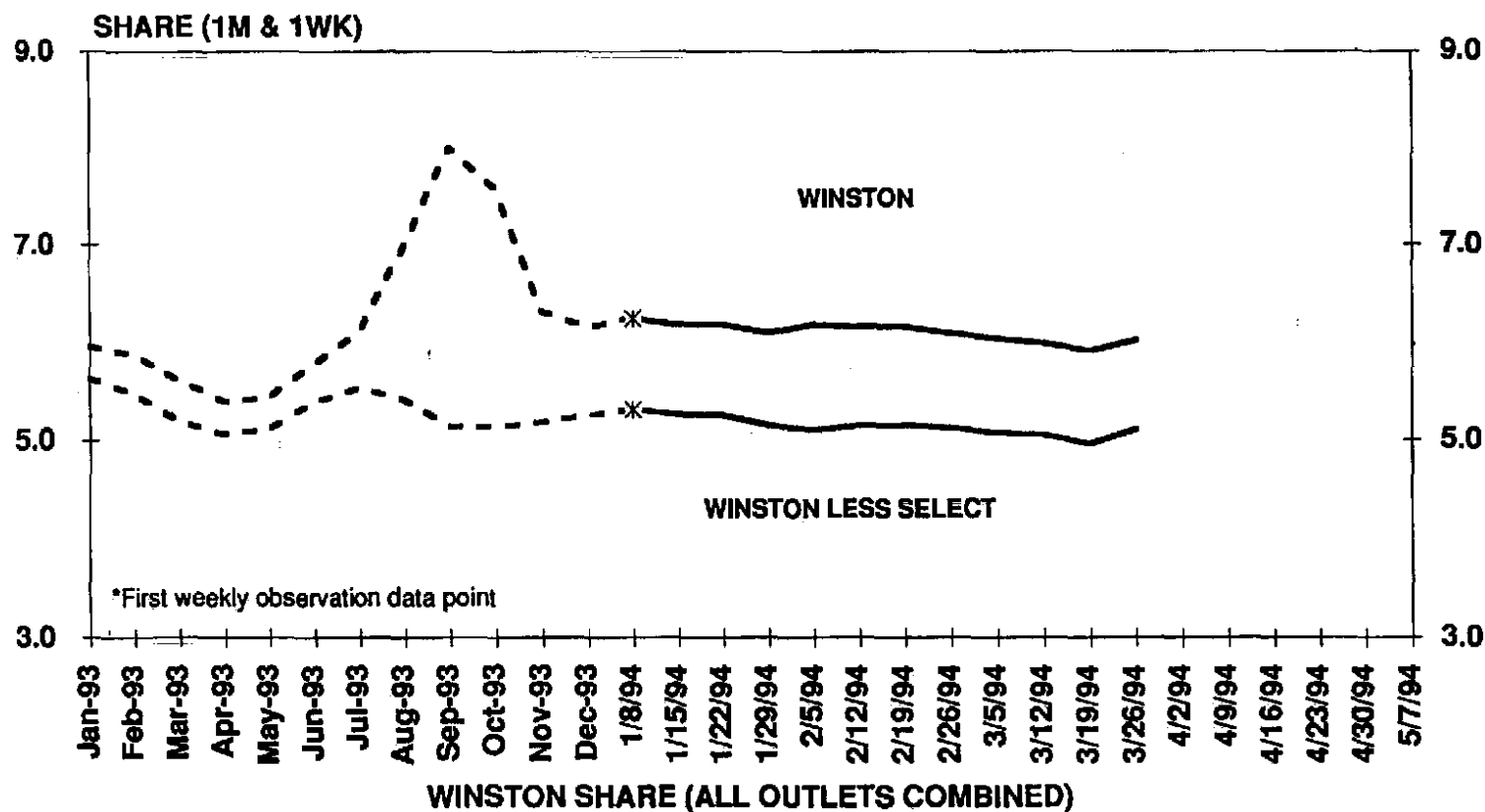


9809590202

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 8

WINSTON'S SHARE GAINED +0.1 POINT VERSUS WEEK AGO TO 6.0%, WITH WINSTON PARENT PACKINGS ACCOUNTING FOR ALL OF THE GAIN.

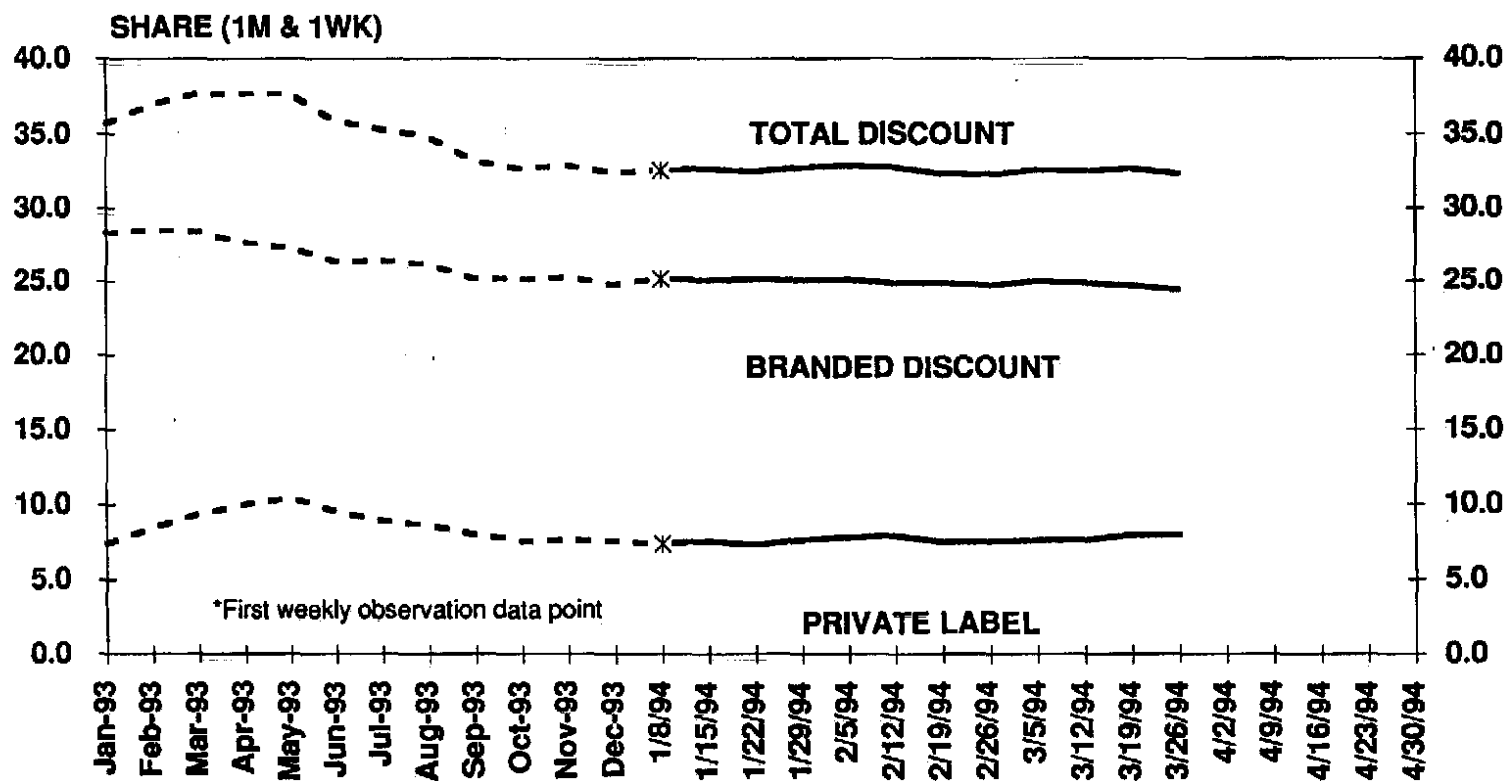


202365337

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 10

THE DISCOUNT CATEGORY'S SHARE DECLINED -0.4 POINTS VERSUS WEEK-AGO TO 32.3% WITH DECLINES BY BOTH PRIVATE LABEL (-0.1) AND BRANDED DISCOUNT (-0.3).



8009590202

TOTAL DISCOUNT CATEGORY SHARE (ALL OUTLETS COMBINED)

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 6

2023656339

NIELSEN
C-STORE

PM'S PERFORMANCE IN C-STORES WEEKLY INTEGRATED PANEL (800 STORES) W/E 3/26/94

- PM's share declined -0.3 points versus week-ago to 47.6%, with Discount Brands' losses more than offsetting Other Premium Brands' gains. On a four week basis the company's performance was up +0.1 points versus four weeks ago.
- Marlboro's weekly share (30.5) was stable and remained near record levels. On a four week basis, the franchise's share was up +0.1 points versus four weeks ago to 30.4%.
- PM's Other Premium Brands' share gained +0.2 points versus week ago to 8.0%, with each brand either stable or up for the week.
- PM's Discount Brands' share declined -0.4 points week-to-week to 9.1%. Private Label/AAV primarily contributed to this decline.
- RJR's share gained +0.2 points week-to-week, with Winston, Camel, and Private Label gains outweighing Branded Discount declines.
- The Discount Category's share declined -0.5 points versus week-ago to 33.0%, with Private Label and Branded Discount both experiencing losses (-0.1 and -0.4 points respectively).

2023656340

BENCHMARKS - TOTAL US
NIELSEN WEEKLY C-STORE AUDITS (800 STORES)

	<u>Benchmarks</u>	<u>4 Weeks Ending 26-Mar</u>	<u>Current vs. Benchmark</u>
Philip Morris	45.2 (lower limit)	47.6	2.5 Favorable
Marlboro	28.2 (lower limit)	30.4	2.2 Favorable
OPB	7.7 (lower limit)	7.9	0.3 Favorable
Virginia Slims	2.3 (lower limit)	2.4	0.1 Favorable
Benson & Hedges	2.2 (lower limit)	2.3	0.1 Favorable
Merit	2.6 (lower limit)	2.7	0.1 Favorable
Parliament	0.4 (lower limit)	0.5	0.1 Favorable
Basic - Shr. of Discount	16.3 (lower limit)	15.2	1.1 Unfavorable
Discount Category	+2.0 Pts. (upper limit)*	33.3	1.6 Favorable
Private Label	10.2 (upper limit)	9.4	0.8 Favorable
Lowest Disc. Price **	\$1.34 (lower limit)	\$1.32	\$0.02 Unfavorable
Absolute Price Gap ***	\$0.57 (upper limit)	\$0.59	\$0.02 Unfavorable

* Annualized category growth (upper limit) is +2.0 points. First 6 months of 1994 total Discount category cannot exceed 34.9%.

** Source: Nielsen Weekly Pricing Audits (linear average)

*** Marlboro versus lowest Discount.

2023656341

C-store bench 800

NIELSEN WEEKLY C-STORE DATA
(800 C-Stores)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
Base March 1993	43.22	33.88	11.01	4.76	5.74	1.37
March 26, 1994 (4WM)	<u>47.62</u>	<u>28.51</u>	<u>10.37</u>	<u>5.43</u>	<u>6.42</u>	<u>1.59</u>
	4.40	(5.37)	(0.64)	0.67	0.68	0.22

<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>
Base March 1993	60.26	39.73	28.11	11.63
March 26, 1994 (4WM)	<u>66.73</u>	<u>33.27</u>	<u>23.86</u>	<u>9.41</u>
	6.47	(6.46)	(4.25)	(2.22)

<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>
Base March 1993	24.43	7.70	5.16	0.51	4.27
March 26, 1994 (4WM)	<u>30.41</u>	<u>7.92</u>	<u>5.50</u>	<u>1.07</u>	<u>4.64</u>
	5.98	0.22	0.34	0.56	0.37

<u>MAJOR BRANDS</u>	<u>Newport</u>	<u>Kool</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>
Base March 1993	3.90	3.39	3.70	1.41	0.46
March 26, 1994 (4WM)	<u>4.55</u>	<u>3.24</u>	<u>3.46</u>	<u>1.22</u>	<u>0.40</u>
	0.65	(0.15)	(0.24)	(0.19)	(0.06)

<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>
Base March 1993	4.89	1.46	0.40	3.36	0.75	0.90	4.08	2.88	4.95
March 26, 1994 (4WM)	<u>5.06</u>	<u>1.23</u>	<u>0.31</u>	<u>3.99</u>	<u>0.90</u>	<u>1.19</u>	<u>2.75</u>	<u>0.73</u>	<u>4.94</u>
	0.17	(0.23)	(0.09)	0.63	0.15	0.29	(1.33)	(2.15)	(0.01)

<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>
Base March 1993	3.56	6.97	0.57	0.53
March 26, 1994 (4WM)	<u>2.29</u>	<u>4.94</u>	<u>1.09</u>	<u>1.09</u>
	(1.27)	(2.03)	0.52	0.56

2023656342

Source: Nielsen Integrated Panel.

NIELSEN WEEKLY C-STORE DATA
(800 C-Stores)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
Base July 1993	47.59	31.33	9.95	4.62	5.36	1.09
March 26, 1994 (4WM)	<u>47.62</u>	<u>28.51</u>	<u>10.37</u>	<u>5.43</u>	<u>6.42</u>	<u>1.59</u>
	0.03	(2.82)	0.42	0.81	1.06	0.50

<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>
Base July 1993	64.00	36.00	25.39	10.62
March 26, 1994 (4WM)	<u>66.73</u>	<u>33.27</u>	<u>23.86</u>	<u>9.41</u>
	2.73	(2.73)	(1.53)	(1.21)

<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>
Base July 1993	29.66	7.07	5.89	0.65	4.34
March 26, 1994 (4WM)	<u>30.41</u>	<u>7.92</u>	<u>5.50</u>	<u>1.07</u>	<u>4.64</u>
	0.75	0.85	(0.39)	0.42	0.30

<u>MAJOR BRANDS</u>	<u>Newport</u>	<u>Kool</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>
Base July 1993	3.74	3.13	3.33	1.20	0.41
March 26, 1994 (4WM)	<u>4.55</u>	<u>3.24</u>	<u>3.46</u>	<u>1.22</u>	<u>0.40</u>
	0.81	0.11	0.13	0.02	(0.01)

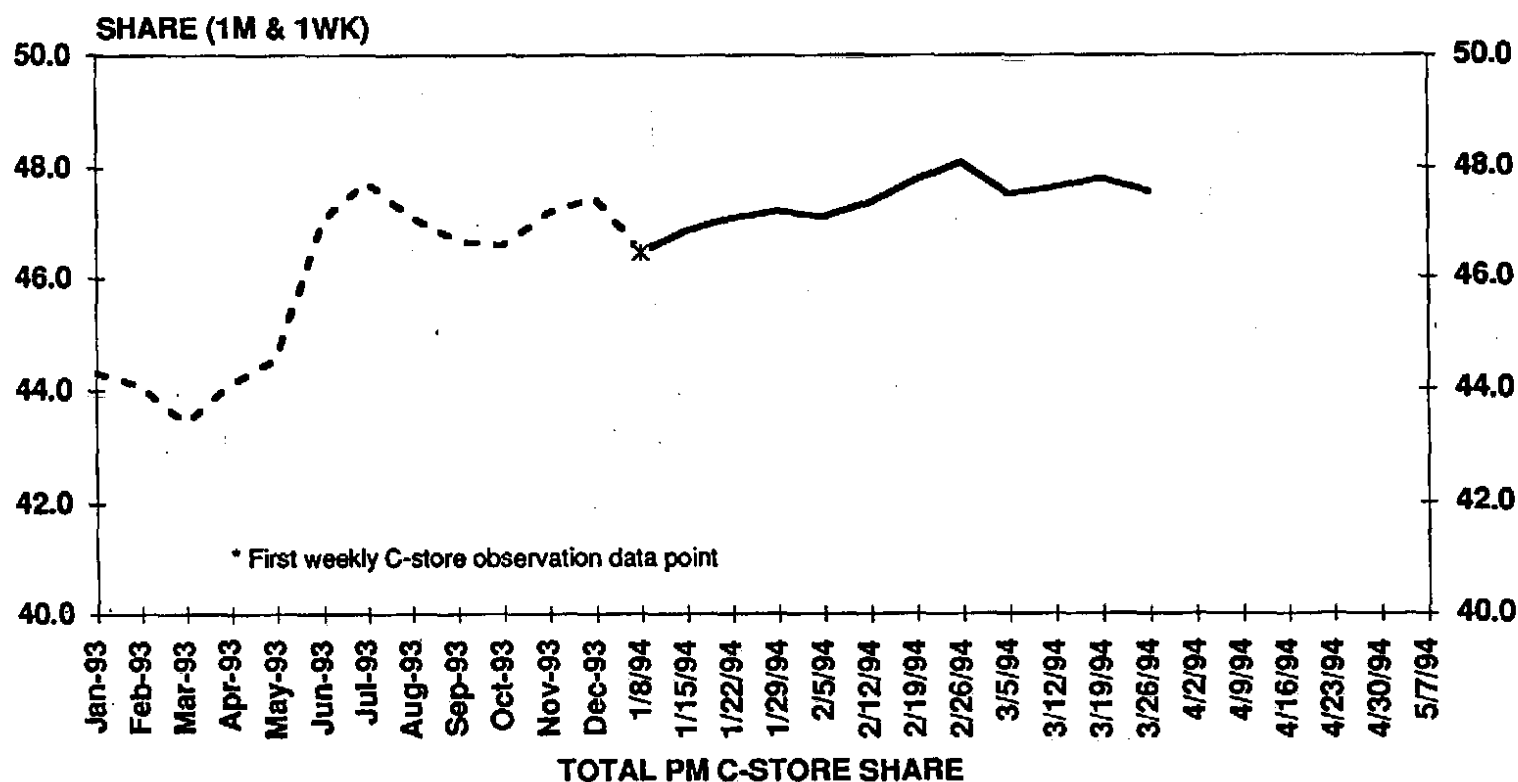
<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>
Base July 1993	5.59	1.38	0.34	3.50	0.77	0.84	3.34	1.64	4.44
March 26, 1994 (4WM)	<u>5.06</u>	<u>1.23</u>	<u>0.31</u>	<u>3.99</u>	<u>0.90</u>	<u>1.19</u>	<u>2.75</u>	<u>0.73</u>	<u>4.94</u>
	(0.53)	(0.15)	(0.03)	0.49	0.13	0.35	(0.59)	(0.91)	0.50

<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>
Base July 1993	3.05	6.32	0.52	0.73
March 26, 1994 (4WM)	<u>2.29</u>	<u>4.94</u>	<u>1.09</u>	<u>1.09</u>
	(0.76)	(1.38)	0.57	0.36

2023656343

Source: Nielsen Integrated Panel.

PM'S SHARE DECLINED -0.3 POINTS WEEK-TO-WEEK, WHILE ON A FOUR WEEK BASIS VERSUS FOUR WEEKS AGO IT ADVANCED +0.1 POINTS TO 47.6%.



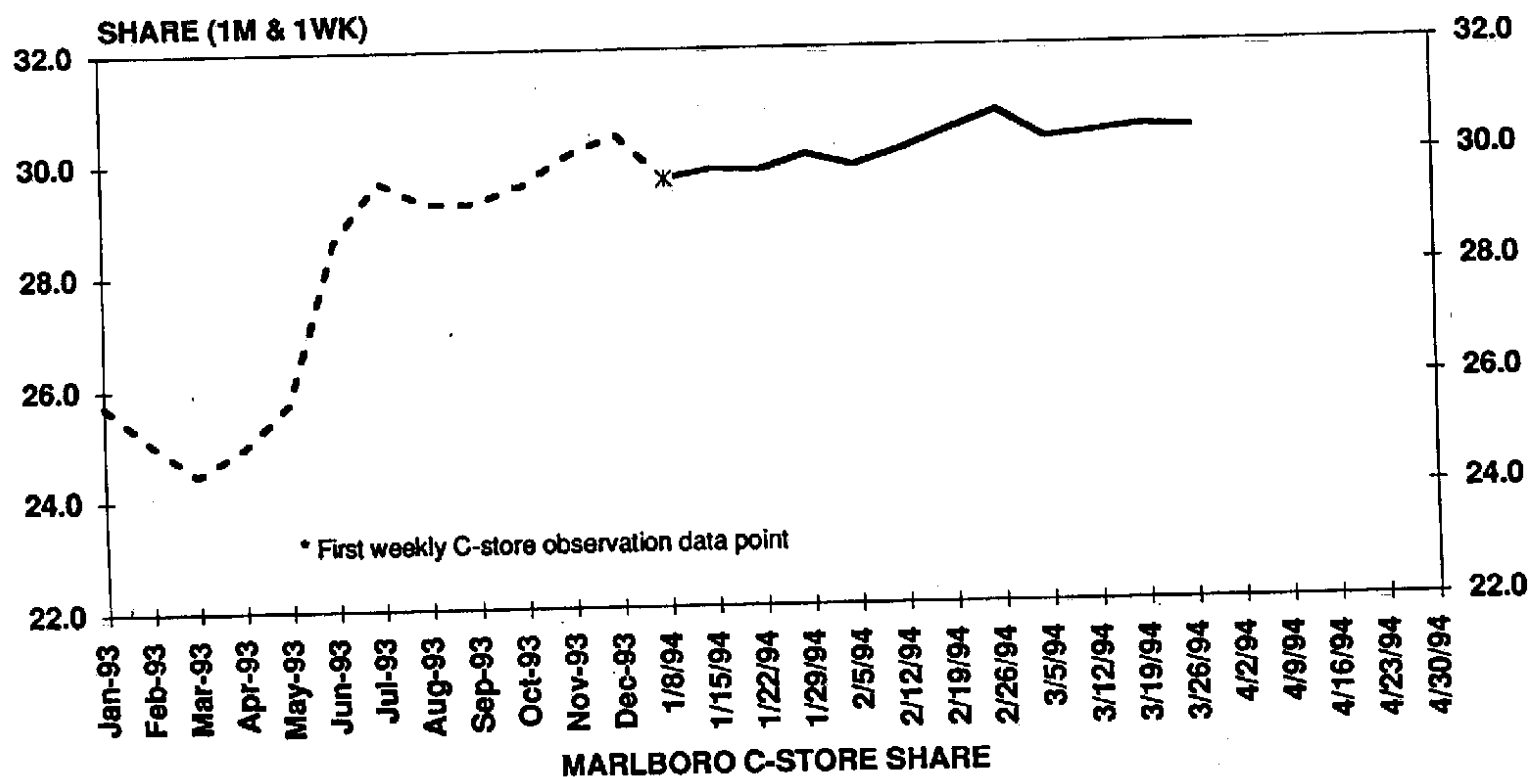
Note: Monthly share data is based on the same 800 store sample as the weekly share information.

2023656344

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 1

MARLBORO'S WEEKLY SHARE WAS RELATIVELY STABLE WEEK-TO-WEEK AT 30.5%, WHILE ON A FOUR WEEK BASIS ITS SHARE ADVANCED +0.1 POINTS VERSUS FOUR WEEKS AGO TO 30.4%.



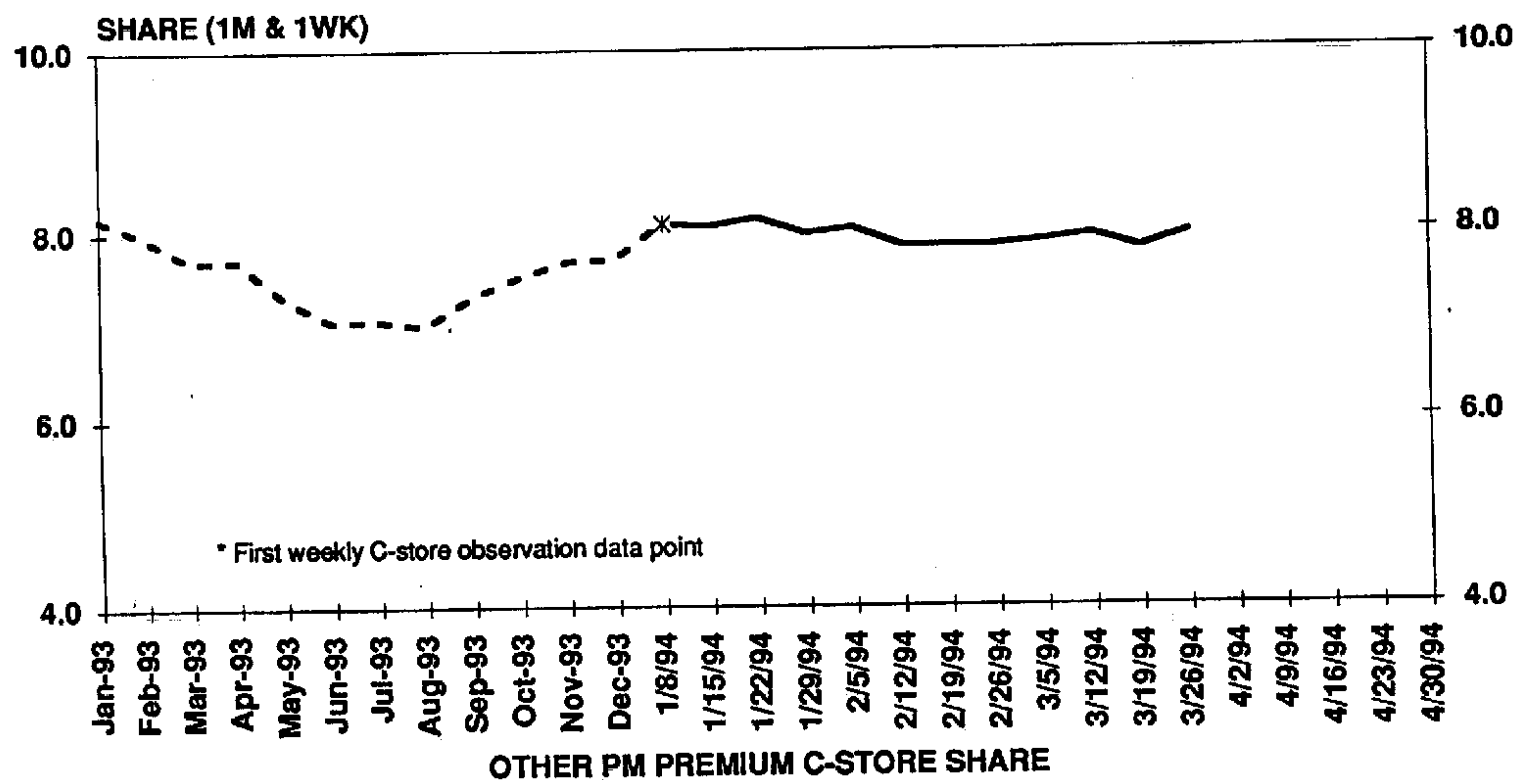
Note: Monthly share data is based on the same 800 store sample as the weekly share information.

2023656345

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 4

PM OTHER PREMIUM BRANDS' SHARE GAINED +0.2 POINTS VERSUS WEEK AGO TO 8.0%.



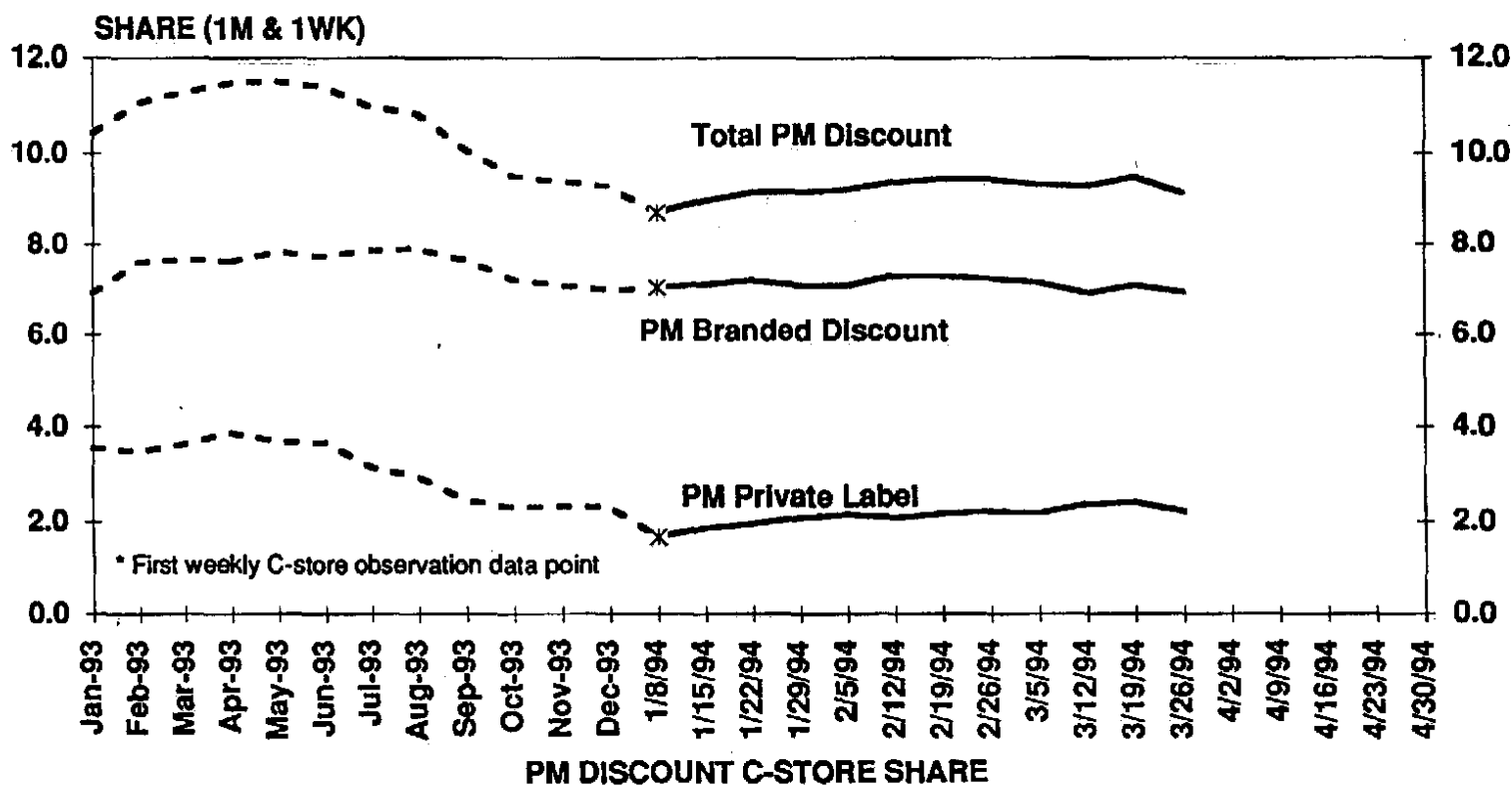
Note: Monthly share data is based on the same 800 store sample as the weekly share information.

2023656346

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 2

PM'S DISCOUNT SHARE DECLINED -0.4 POINTS VERSUS WEEK-AGO TO 9.1%. BOTH BRANDED DISCOUNT AND PRIVATE LABEL EXPERIENCED -0.2 POINT DECLINES.



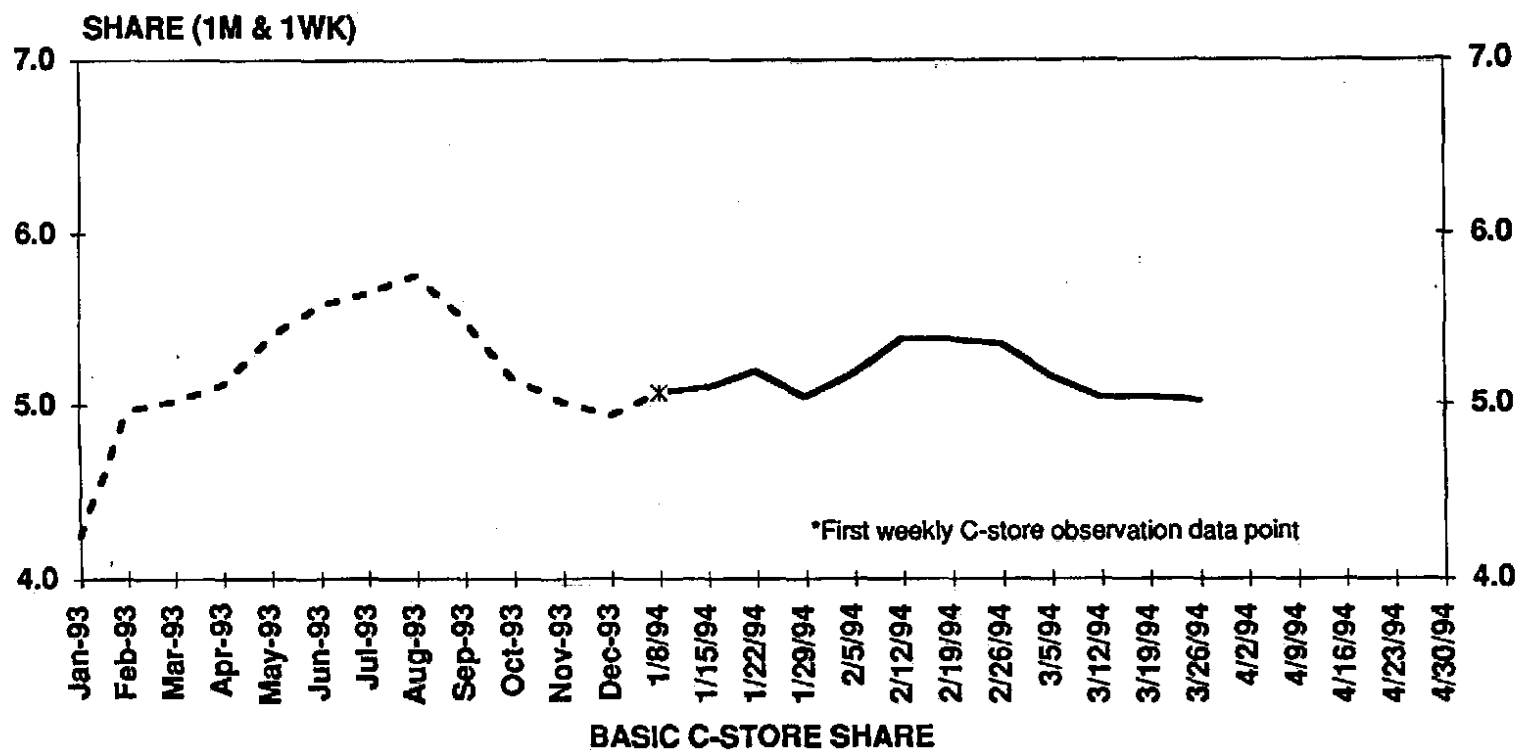
Note: Monthly share data is based on the same 800 store sample as the weekly share information.

2023656347

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 3

BASIC'S SHARE IN CONVENIENCE STORES REMAINED RELATIVELY STABLE WEEK-TO-WEEK AT 5.0%.



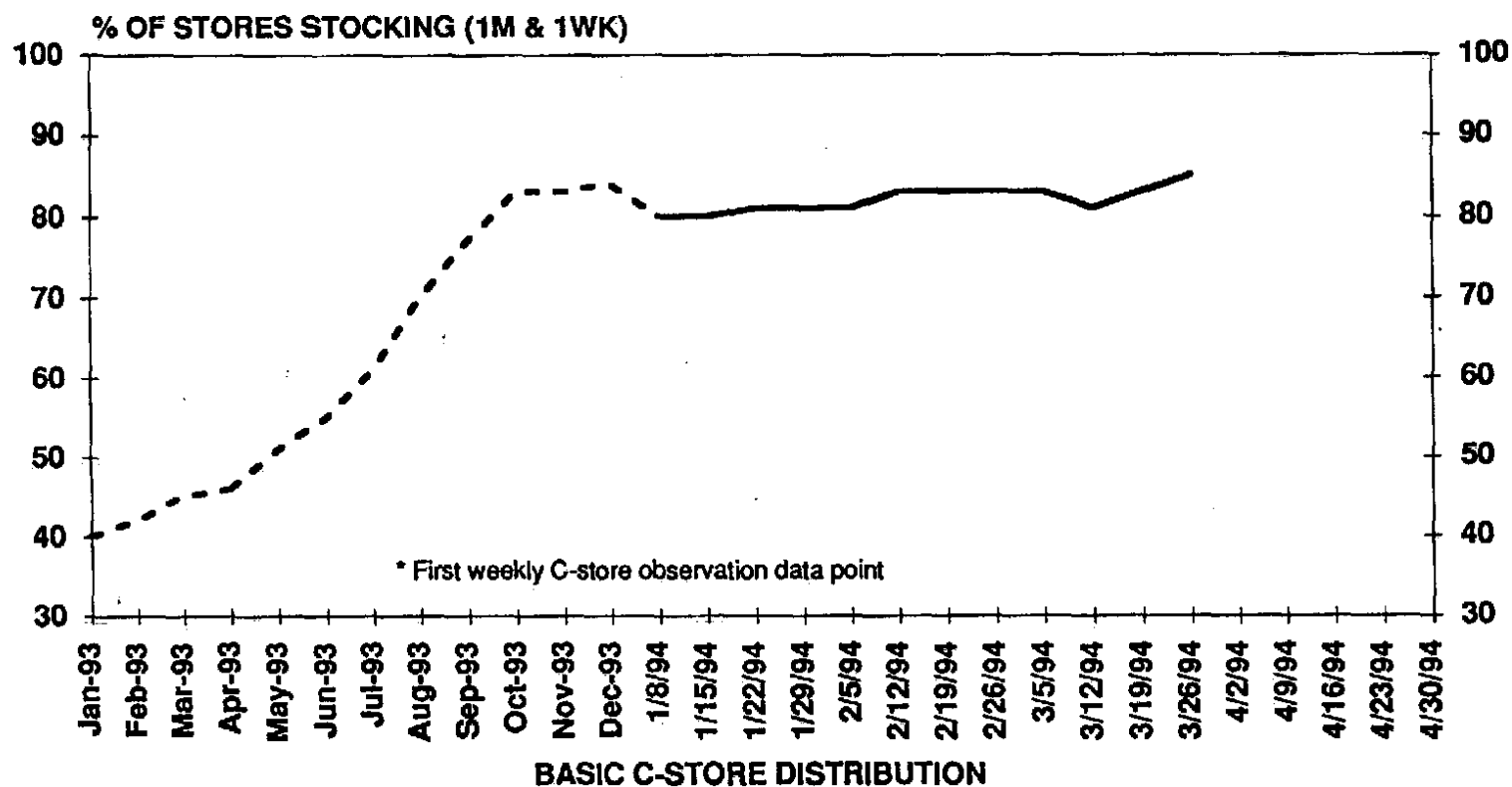
Note: Monthly share data is based on the same 800 store sample as the weekly share information.

2023656348

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 8

THE PERCENT OF STORES STOCKING BASIC IN THE CONVENIENCE STORE TRADE CLASS WAS 85%, UP +2 POINTS VERSUS LAST WEEK.



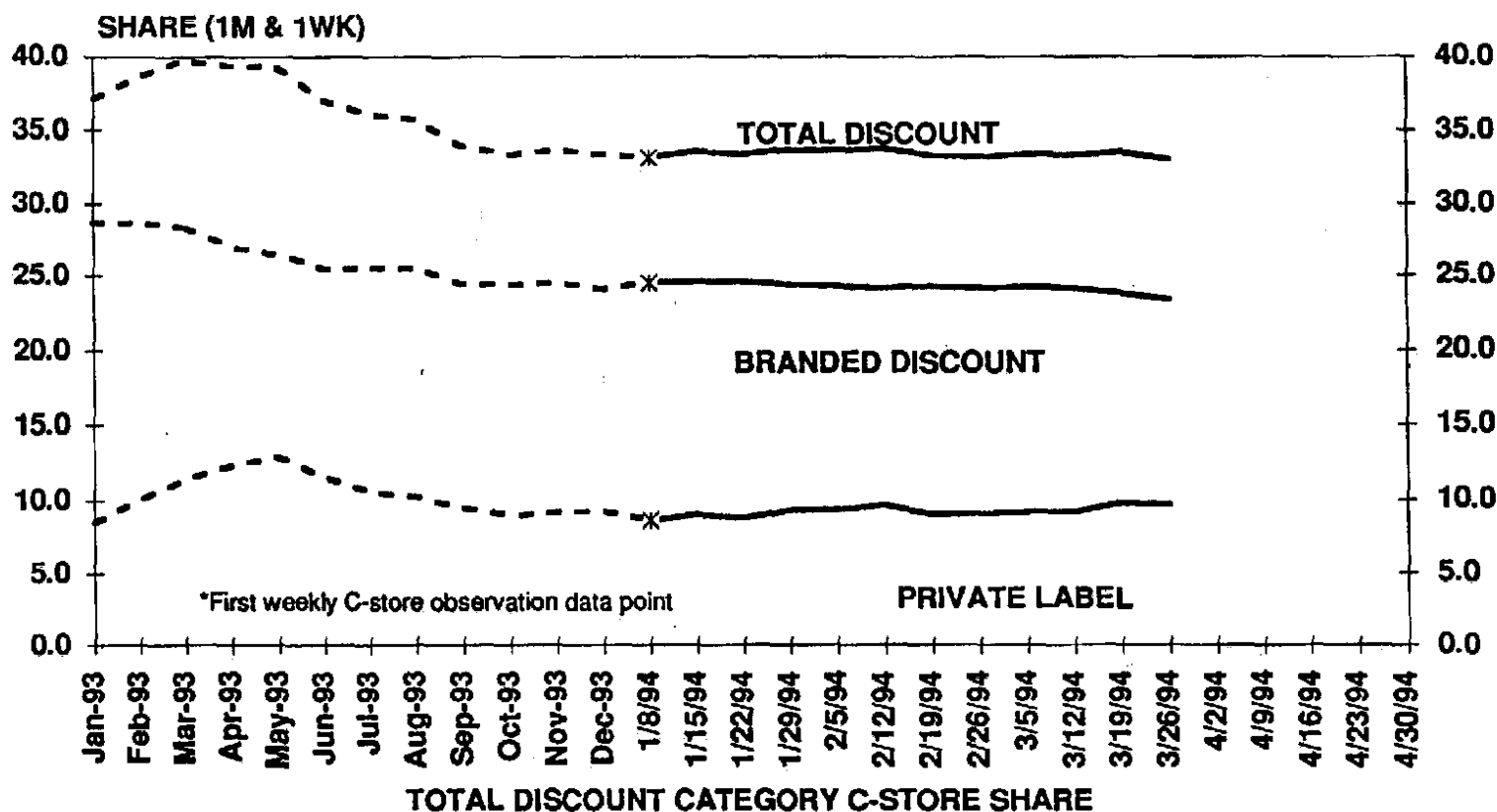
Note: Monthly distribution data is based on the same 800 store sample as the weekly distribution information.

2023656349

Source: Integrated Nielsen Panel

Nielsen C-store weekly 800 Chart 5

THE DISCOUNT CATEGORY'S SHARE DECLINED -0.5 POINTS VERSUS WEEK-AGO TO 33.0%, WITH PRIVATE LABEL AND BRANDED DISCOUNT BOTH EXPERIENCING LOSSES (-0.1 AND -0.4 POINTS RESPECTIVELY).



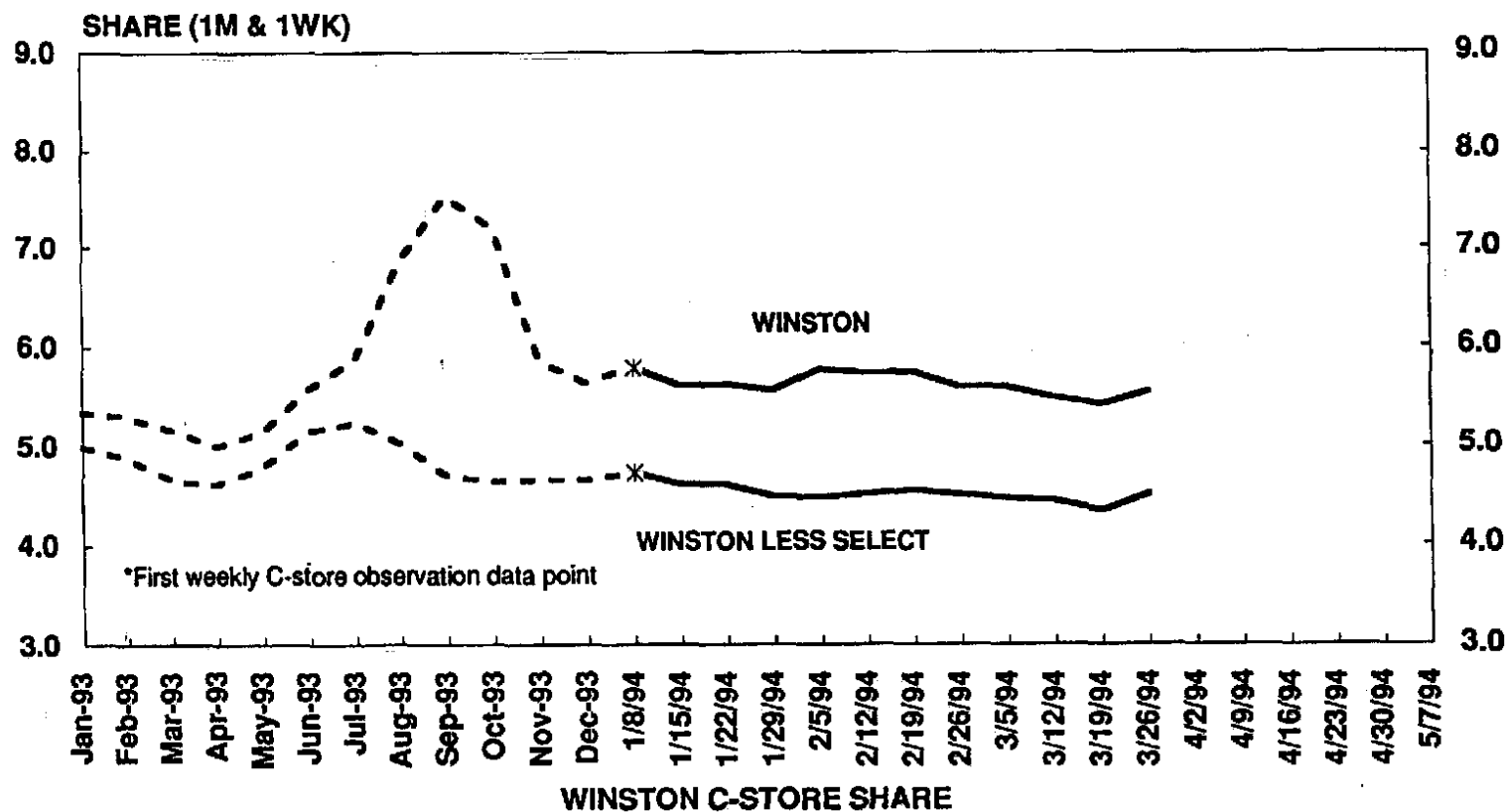
Note: Monthly share data is based on the same 800 store sample as the weekly share information.

05C959E202

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 6

WINSTON'S SHARE THIS WEEK IN C-STORES WAS 5.5%, UP +0.1 POINTS VERSUS WEEK AGO.



Note: Monthly share data is based on the same 800 store sample as the weekly share information.

2023656351

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 12

TOTAL INDUSTRY FREE PRODUCT SHARE DECLINED -0.2 POINTS TO 1.0%. THIS WAS DUE IN PART TO TOTAL RJR FREE PRODUCT SHARE DECLINING -0.1 POINTS, DRIVEN BY DECREASES IN WINSTON AND DORAL. PM FREE PRODUCT SHARE DECLINED -0.1 POINTS.

	1994												
	<u>1/1</u>	<u>1/8</u>	<u>1/15</u>	<u>1/22</u>	<u>1/29</u>	<u>2/5</u>	<u>2/12</u>	<u>2/19</u>	<u>2/26</u>	<u>3/5</u>	<u>3/12</u>	<u>3/19</u>	<u>3/26</u>
Total Industry	0.92	0.80	0.77	1.01	1.03	0.94	0.92	1.07	1.09	1.07	1.09	1.19	0.96
Total RJR	0.60	0.63	0.55	0.74	0.73	0.65	0.69	0.70	0.67	0.78	0.87	0.76	0.65
Total Winston	0.09	0.06	0.07	0.13	0.20	0.32	0.42	0.34	0.35	0.23	0.24	0.17	0.10
Total Camel	0.37	0.45	0.38	0.35	0.24	0.22	0.21	0.28	0.15	0.18	0.17	0.22	0.23
Total Doral	0.14	0.09	0.09	0.16	0.10	0.03	0.04	0.05	0.16	0.35	0.45	0.35	0.28
Monarch	0.01	0.02	0.02	0.09	0.18	0.07	0.02	0.03	0.01	0.01	0.01	0.02	0.03
Total PM	0.06	0.09	0.12	0.17	0.18	0.19	0.11	0.21	0.24	0.11	0.11	0.29	0.21
PM Premium	0.00	0.00	0.00	0.00	0.00	0.30	0.01	0.00	0.00	0.00	0.03	0.02	0.01
PM Discount	0.05	0.09	0.12	0.17	0.18	0.16	0.10	0.21	0.24	0.11	0.08	0.28	0.20
Total Lorillard	0.19	0.04	0.06	0.04	0.02	0.02	0.06	0.04	0.01	0.01	0.00	0.01	0.00
Total B&W	0.04	0.02	0.02	0.05	0.10	0.07	0.05	0.09	0.07	0.09	0.06	0.07	0.08
Total American	0.02	0.02	0.01	0.01	0.01	0.01	0.01	0.02	0.10	0.08	0.00	0.00	0.00

2023656352

SOURCE: NEILSEN WEEKLY C-STORE AUDIT

Free Prod Chart

2023656353

MCLANE
SHIPMENTS

MCLANE SUMMARY THROUGH APRIL 1

Total McLane

- Total industry volume increased primarily due to Premium gains, reflecting Marlboro at Sam's and Camel at Circle K.
- PM volume and share increased as Marlboro and Basic shipments to Sam's remained above average.
 - Approximately 3 weeks of Generals inventory were shipped to Dairy Mart stores, possibly to take advantage of the last week of the introductory allowance which ended 4/1.

Total C-Stores

- Heavy 35¢ off two pack Camel deals were shipped this week to Circle K and Dairy Mart.
 - Approximately six weeks supply of both Austin and Camel 35¢ off 2 pack were shipped over the past four weeks to the Circle-K chain. (Dairy Mart received four week supply of these Camel deals.)
 - These concurrent retail offerings may insulate Camel from Private Label initiatives at Circle-K/Dairy Mart and support Camel prior to Marlboro's B4G1F Country Store introduction.
- Introductory shipments of GPC were reported at Dairy Mart this week.
 - Product was shipped to 86% of stores at 20 cartons per store.

2023656354

**MCLANE SHIPMENT DATA
(C-Stores & Mass Merch)**

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>				
4 wk Base April 2,1993	39.66	37.42	13.76	3.76	4.30	1.07				
April 1, 1994 (4wm)	<u>45.83</u>	<u>30.91</u>	<u>12.07</u>	<u>4.55</u>	<u>5.01</u>	<u>1.60</u>				
	6.17	(6.51)	(1.69)	0.79	0.71	0.53				
<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>						
4 wk Base April 2,1993	54.90	45.10	32.71	12.39						
April 1, 1994 (4wm)	<u>66.01</u>	<u>33.99</u>	<u>25.00</u>	<u>8.99</u>						
	11.11	(11.11)	(7.71)	(3.40)						
<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>					
4 wk Base April 2,1993	21.44	7.33	5.12	0.18	3.88					
April 1, 1994 (4wm)	<u>29.15</u>	<u>8.13</u>	<u>5.64</u>	<u>0.58</u>	<u>4.93</u>					
	7.71	0.80	0.52	0.40	1.05					
<u>MAJOR BRANDS</u>	<u>Newport</u>	<u>Kool</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>					
4 wk Base April 2,1993	2.97	3.44	3.52	1.39	0.52					
April 1, 1994 (4wm)	<u>3.47</u>	<u>3.28</u>	<u>3.56</u>	<u>1.40</u>	<u>0.54</u>					
	0.50	(0.16)	0.04	0.01	0.02					
<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>	
4 wk Base April 2,1993	5.85	1.83	0.35	4.38	0.46	0.67	3.54	4.30	7.97	
April 1, 1994 (4wm)	<u>4.02</u>	<u>1.91</u>	<u>0.39</u>	<u>4.85</u>	<u>0.78</u>	<u>0.98</u>	<u>1.41</u>	<u>1.53</u>	<u>6.53</u>	
	(1.83)	0.08	0.04	0.47	0.32	0.31	(2.13)	(2.77)	(1.44)	
<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>						
4 wk Base April 2,1993	2.39	9.31	0.69	0.00						
April 1, 1994 (4wm)	<u>1.99</u>	<u>5.96</u>	<u>1.04</u>	<u>0.00</u>						
	(0.40)	(3.35)	0.35	0.00						

SSC959C202

NOTE:THESE TOP 20 ACCOUNTS ARE PRIMARILY SUPPLIED WITH RJR PRIVATE LABEL PRODUCTS.

**MCLANE SHIPMENT DATA
(C-Stores & Mass Merch)**

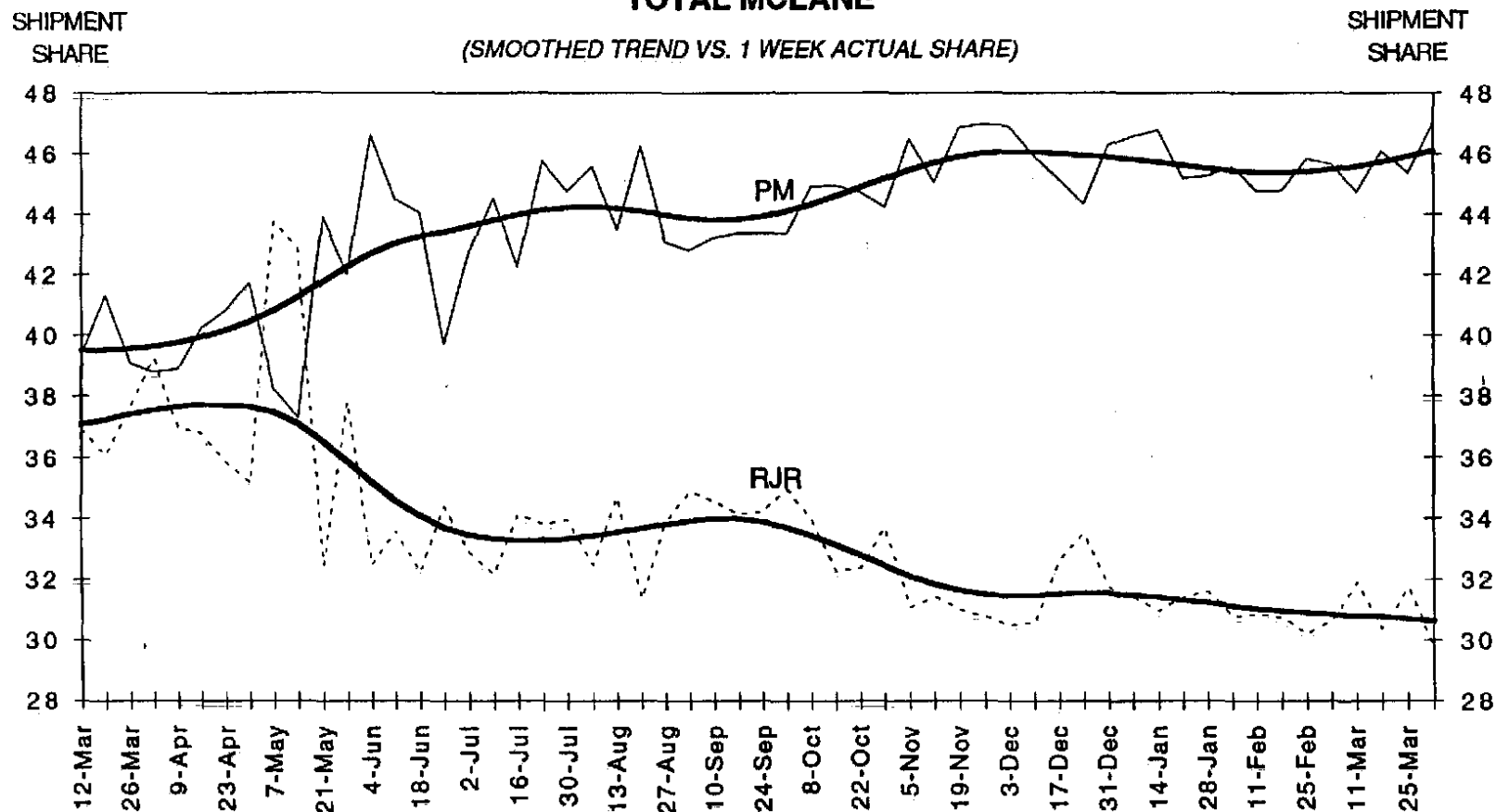
<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>				
4 wk Base August 6,1993	44.57	33.64	12.29	3.76	4.25	1.49				
April 1, 1994 (4wm)	<u>45.83</u>	<u>30.91</u>	<u>12.07</u>	<u>4.55</u>	<u>5.01</u>	<u>1.60</u>				
	1.26	(2.73)	(0.22)	0.79	0.76	0.11				
<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>						
4 wk Base August 6,1993	57.86	42.14	33.62	8.52						
April 1, 1994 (4wm)	<u>66.01</u>	<u>33.99</u>	<u>25.00</u>	<u>8.99</u>						
	8.15	(8.15)	(8.62)	0.47						
<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>					
4 wk Base August 6,1993	24.85	7.14	6.32	0.78	3.06					
April 1, 1994 (4wm)	<u>29.15</u>	<u>8.13</u>	<u>5.64</u>	<u>0.58</u>	<u>4.93</u>					
	4.30	0.99	(0.68)	(0.20)	1.87					
<u>MAJOR BRANDS</u>	<u>Newport</u>	<u>Kool</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>					
4 wk Base August 6,1993	2.91	2.95	3.45	1.29	0.52					
April 1, 1994 (4wm)	<u>3.47</u>	<u>3.28</u>	<u>3.56</u>	<u>1.40</u>	<u>0.54</u>					
	0.56	0.33	0.11	0.11	0.02					
<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>	
4 wk Base August 6,1993	7.99	1.68	0.33	4.90	0.55	0.65	4.03	3.11	7.01	
April 1, 1994 (4wm)	<u>4.02</u>	<u>1.91</u>	<u>0.39</u>	<u>4.85</u>	<u>0.78</u>	<u>0.98</u>	<u>1.41</u>	<u>1.53</u>	<u>6.53</u>	
	(3.97)	0.23	0.06	(0.05)	0.23	0.33	(2.62)	(1.58)	(0.48)	
<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>						
4 wk Base August 6,1993	2.26	5.52	0.74	0.00						
April 1, 1994 (4wm)	<u>1.99</u>	<u>5.96</u>	<u>1.04</u>	<u>0.00</u>						
	(0.27)	0.44	0.30	0.00						

95E959E202

NOTE: THESE ACCOUNTS ARE PRIMARILY SUPPLIED WITH RJR PRIVATE LABEL PRODUCTS.

PM'S WEEKLY SHARE INCREASED WITH CONTINUED GAINS AT SAM'S AND STRONG SHIPMENTS OF PM PRIVATE LABEL GENERALS TO DAIRY MART. RJR SHARE DECREASED DESPITE STRONG CAMEL PROMOTIONAL ACTIVITY IN C-STORES.

PM AND RJR WEEKLY SHARES TOTAL MCLANE

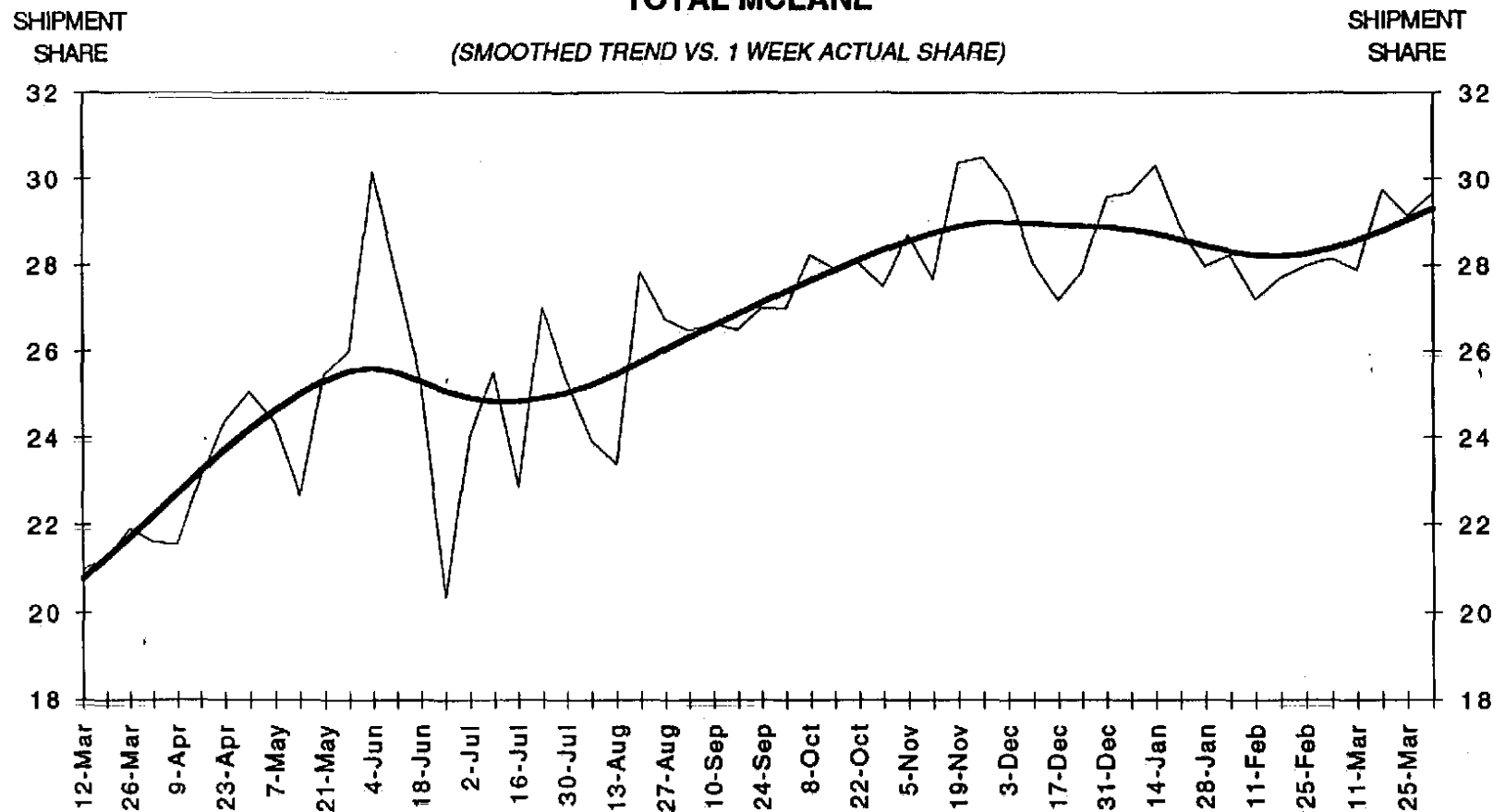


2023656357

JMP WEEKLY GRAPHS ver 2 Chart 2

MARLBORO'S WEEKLY SHARE REMAINED ON AN UPWARD TREND DUE TO CONTINUED GAINS IN THE WAL-MART CHAINS. SHARE WAS SUPPRESSED IN C-STORES WHILE VOLUME HAS INCREASED OVER THE LAST 13 WEEKS.

MARLBORO WEEKLY SHARE TOTAL MCLANE

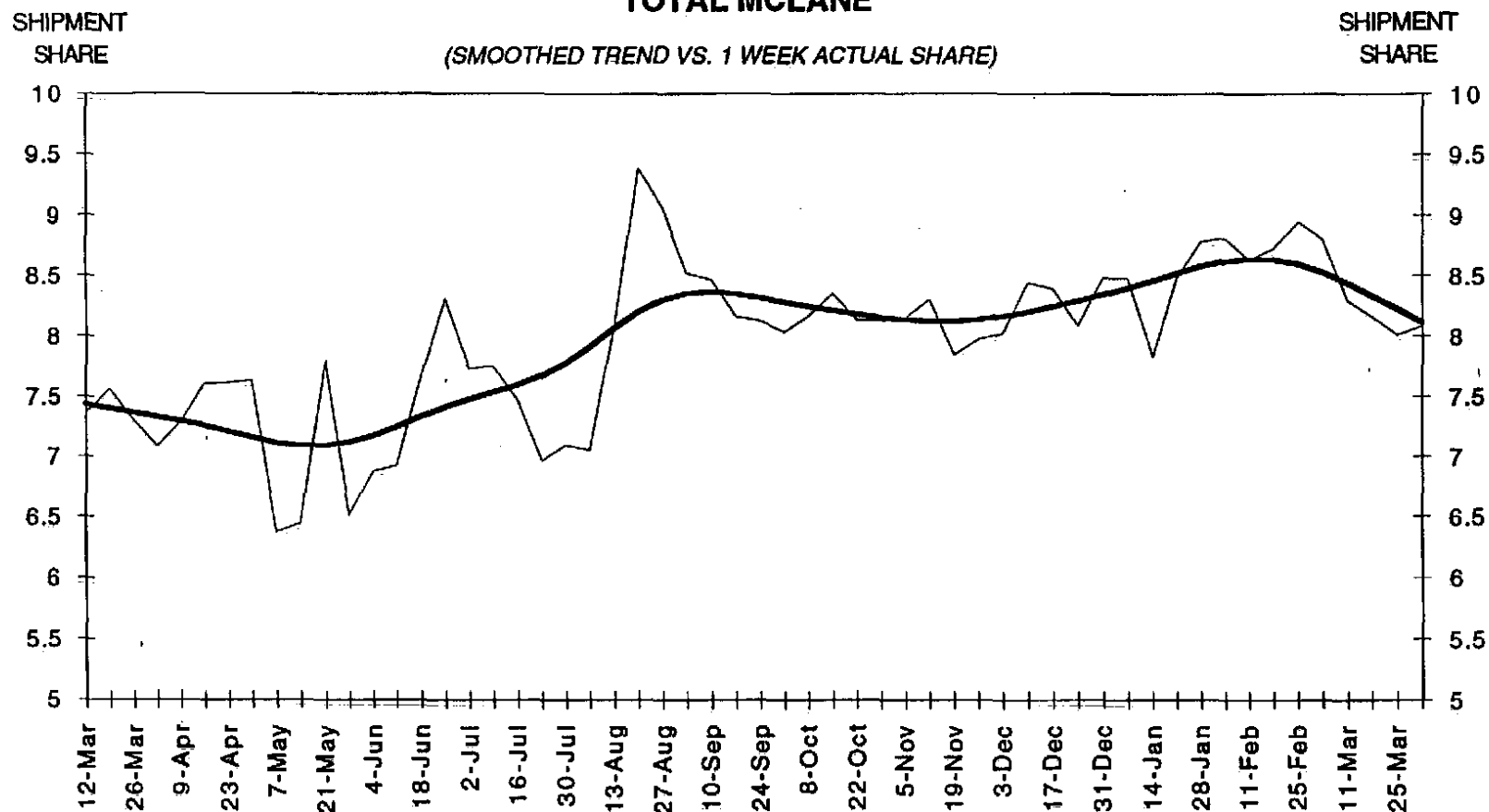


2023656358

JMP WEEKLY GRAPHS ver 2 Chart 4

PM'S OTHER PREMIUM BRANDS' WEEKLY VOLUME AND SHARE INCREASED SLIGHTLY IN BOTH WAL-MART AND C-STORES.

PREMIUM LESS MARLBORO WEEKLY SHARE TOTAL MCLANE

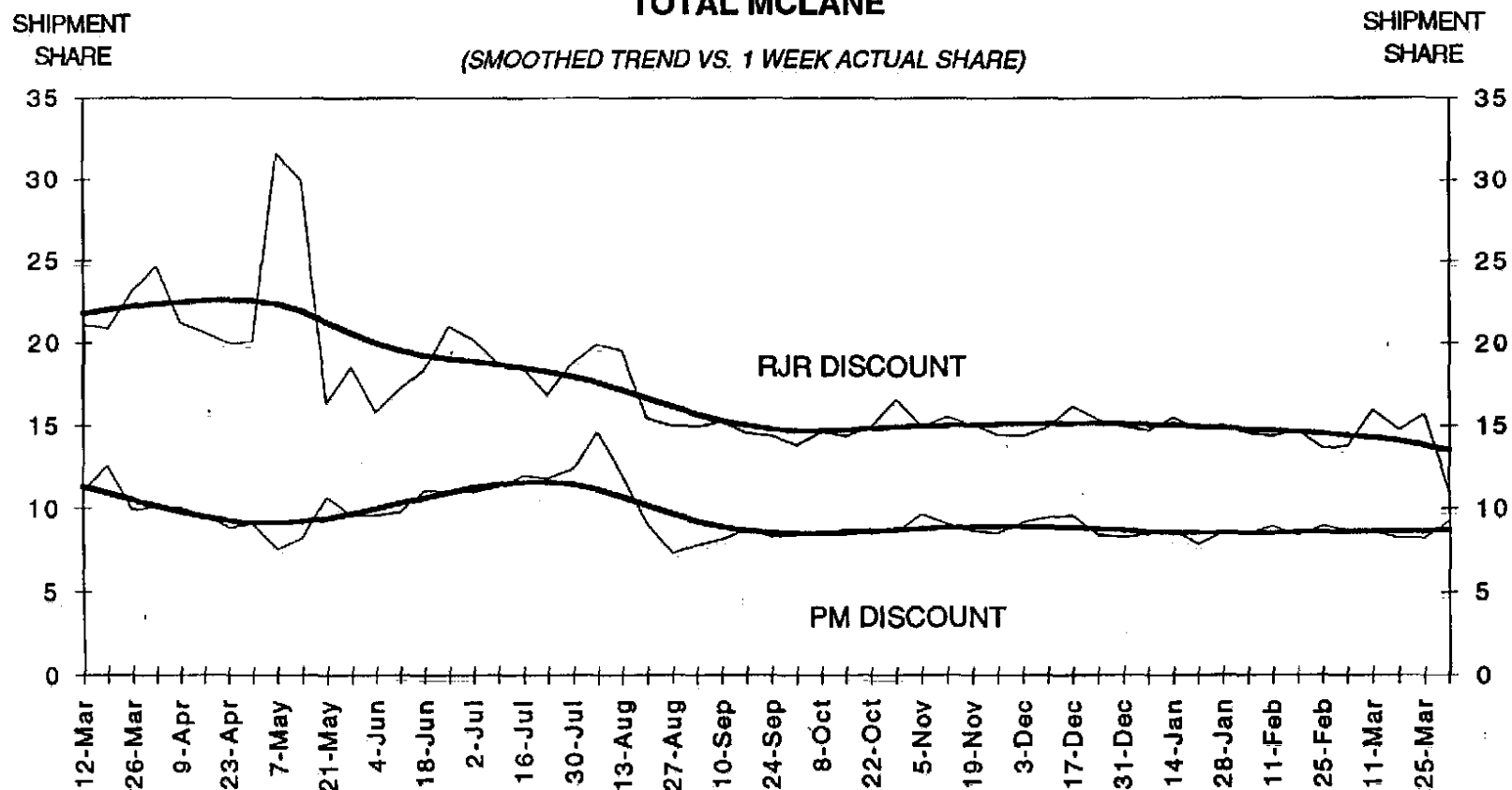


2023656359

JMP WEEKLY GRAPHS ver 2 Chart 5

PM DISCOUNT'S WEEKLY SHARE INCREASED PRIMARILY DUE TO A LARGE SHIPMENT OF PM PRIVATE LABEL GENERALS TO DAIRY MART, WHILE RJR'S DISCOUNT SHARE REFLECTED PAYBACK AT CIRCLE-K FOLLOWING THE RECENT AUSTIN PROMOTION.

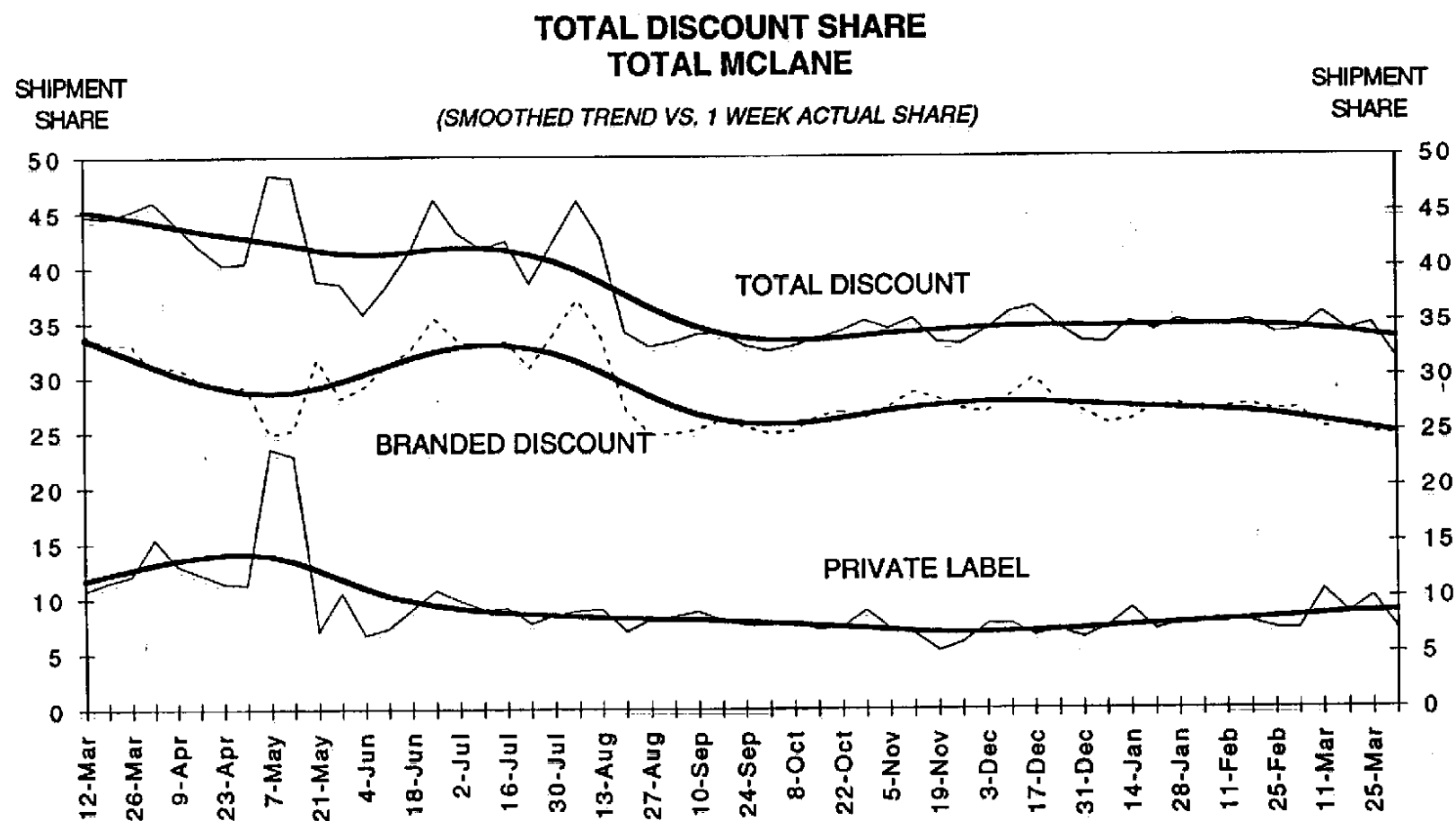
PM AND RJR DISCOUNT SHARE OF INDUSTRY TOTAL MCLANE



2023656360

JMP WEEKLY GRAPHS ver 2 Chart 6

TOTAL DISCOUNT CATEGORY WEEKLY SHARE DECLINE WAS DRIVEN BY REDUCED AUSTIN SHIPMENTS TO CIRCLE-K FOLLOWING THE RECENT AUSTIN PROMOTION. BRANDED DISCOUNT VOLUME IS UP VS. 4 WEEKS AGO WHILE SHARE CONTINUED TO DECLINE.

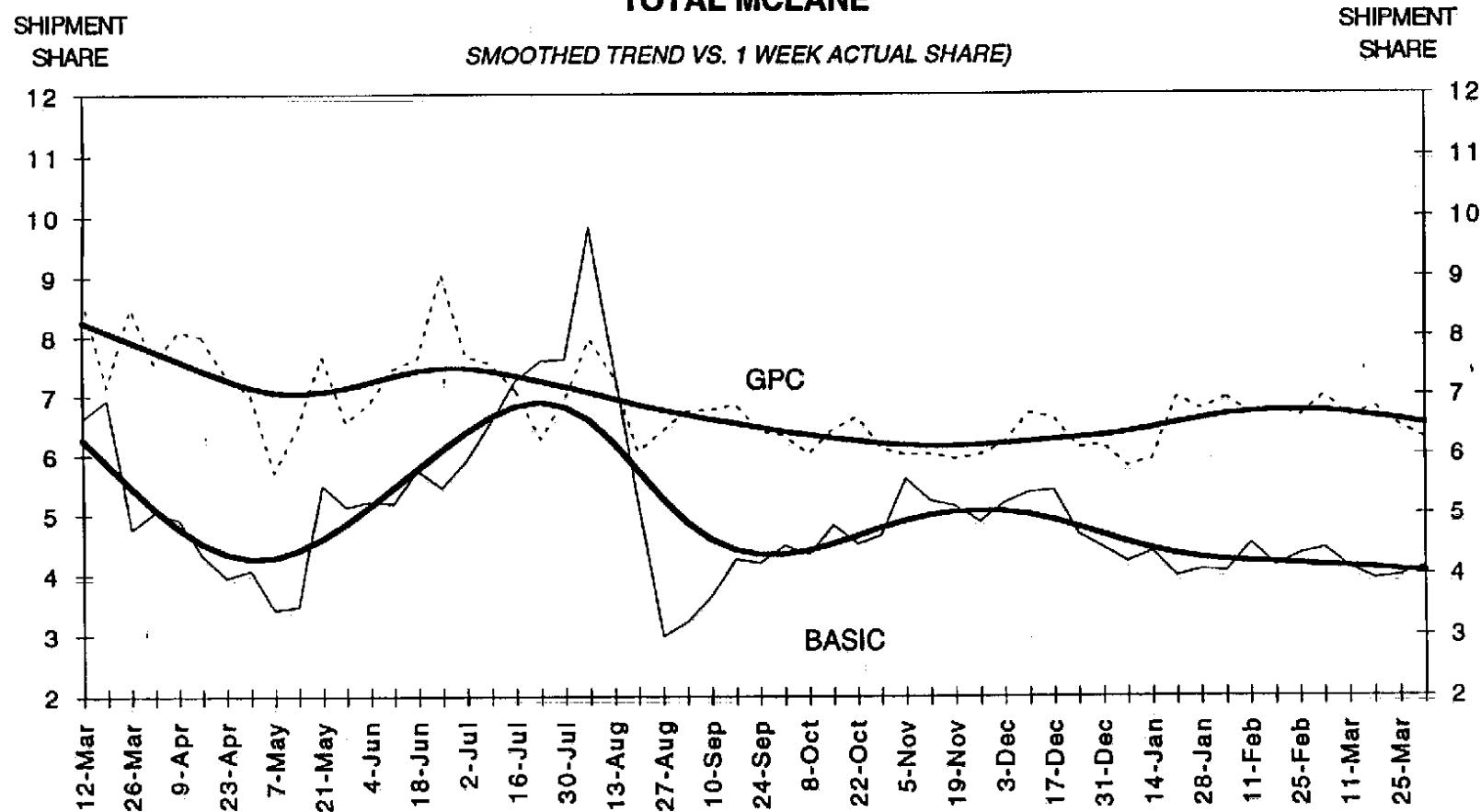


2023656361

JMP WEEKLY GRAPHS ver 2 Chart 7

BASIC VOLUME AND SHARE CONTINUED TO IMPROVE IN WAL-MART AND SOME C-STORE CHAINS. GPC WEEKLY SHARE DECLINED OVERALL, BUT INCREASED IN C-STORES DUE TO A CHAIN-WIDE FORCED SHIPMENT AT DAIRY MART.

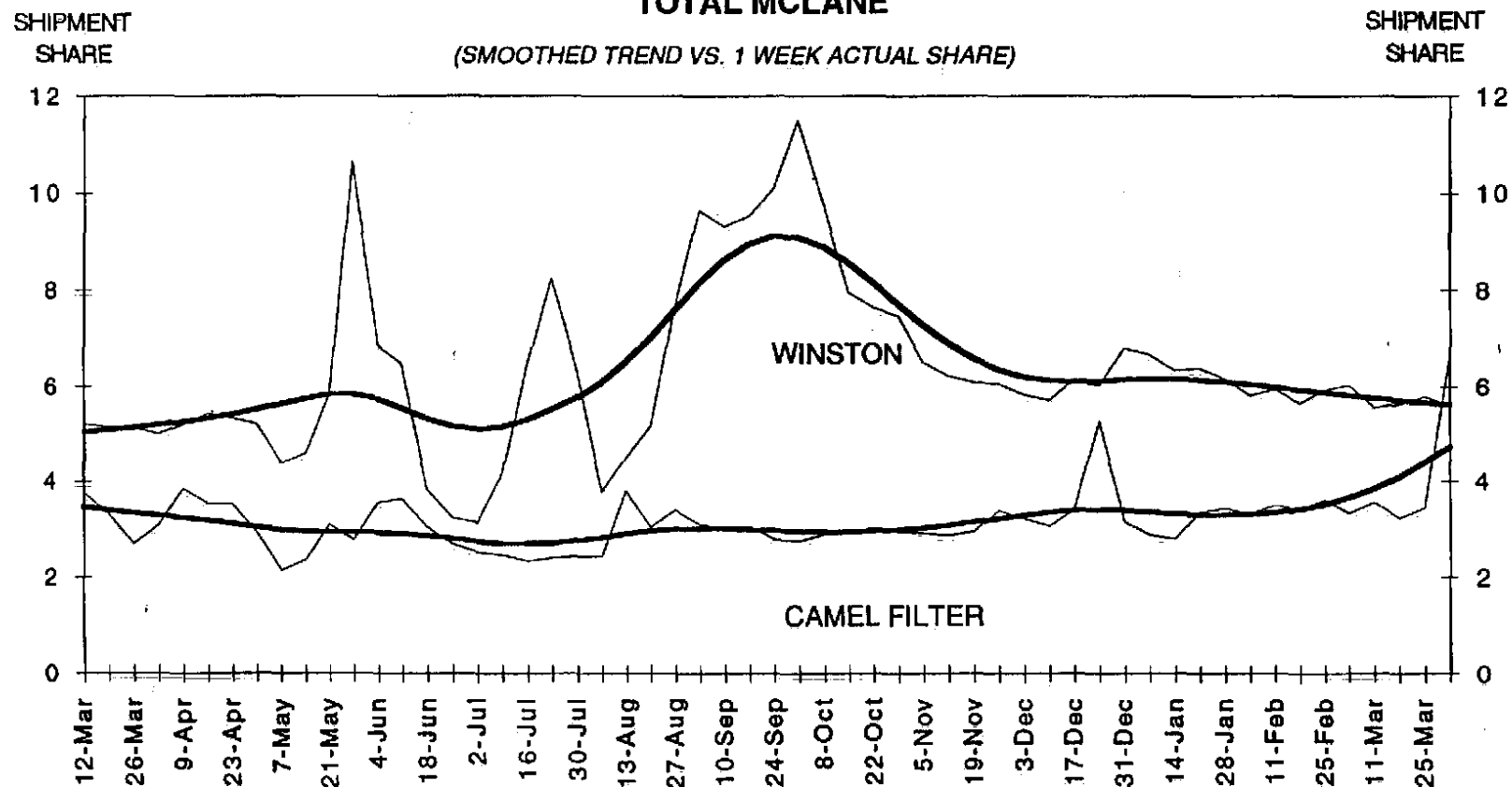
BASIC AND GPC SHARE OF INDUSTRY TOTAL MCLANE



2023656362

WINSTON'S VOLUME AND SHARE REMAINED RELATIVELY STABLE. CAMEL SHARE ROSE SHARPLY DUE TO 6 WEEKS OF SUPPLY SHIPPED OF 35 CENTS OFF 2-PACK TO CIRCLE-K.

WINSTON AND CAMEL FILTER SHARE OF INDUSTRY TOTAL MCLANE



2023656363

JMP WEEKLY GRAPHS ver 2 Chart 9

2023656364
SMOKER SHARE

MARLBORO SMOKER SHARE/MAT

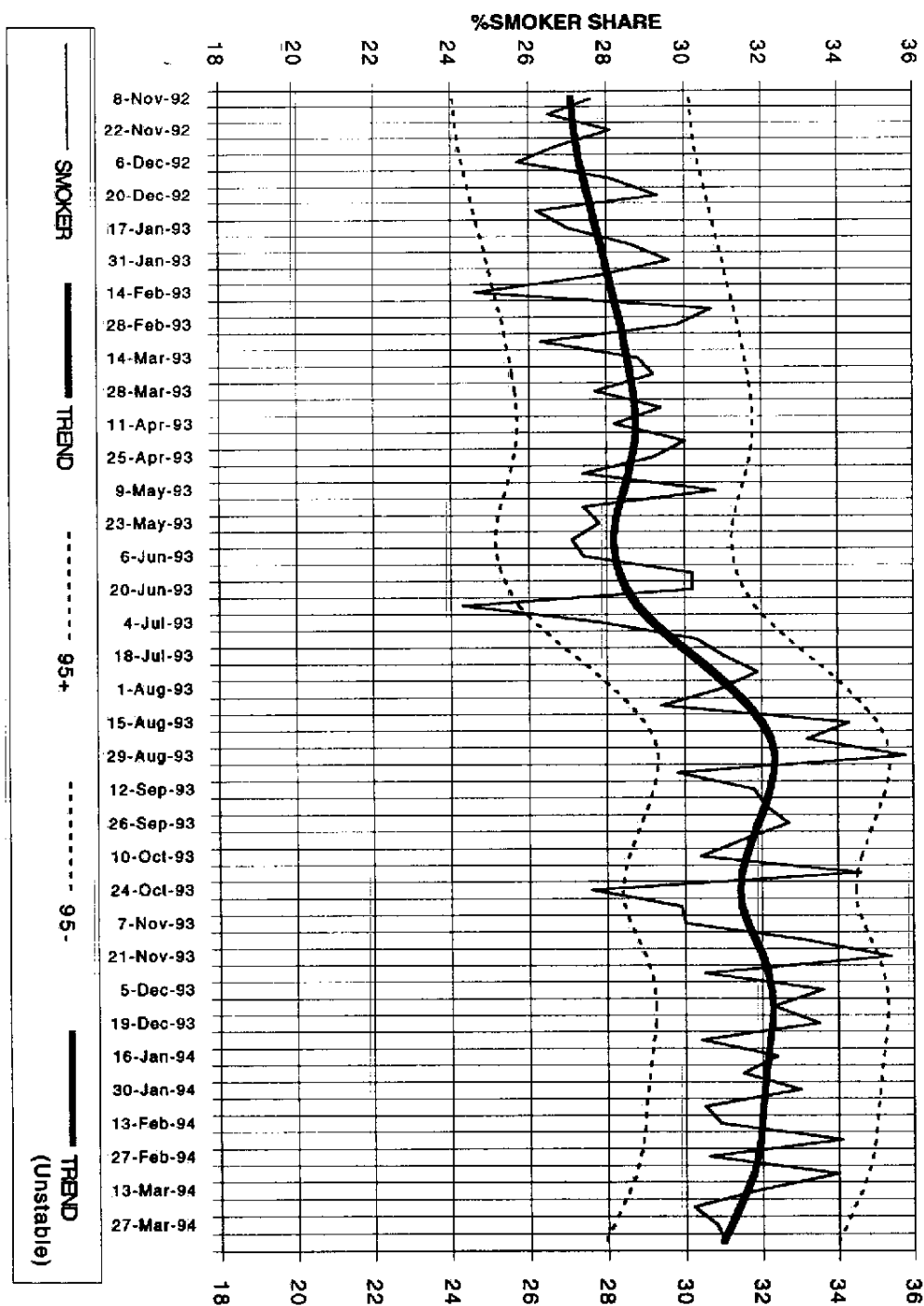
- Marlboro's total smoker and volumetric share trends remain consistent with stable retail performance.
 - Both sources indicate near record share levels for Marlboro.
- Weekly Marlboro young adult smoker and volumetric shares continue to strengthen.

MAT Results

- The latest MAT results reflect:
 - Almost five million responders
 - 6.9 million mail receipts
 - Over 28 million items ordered
 - More than four items per order
 - Over \$441 million cost

2023656365

MARLBORO SMOKER SHARE (AMONG TOTAL SMOKERS)



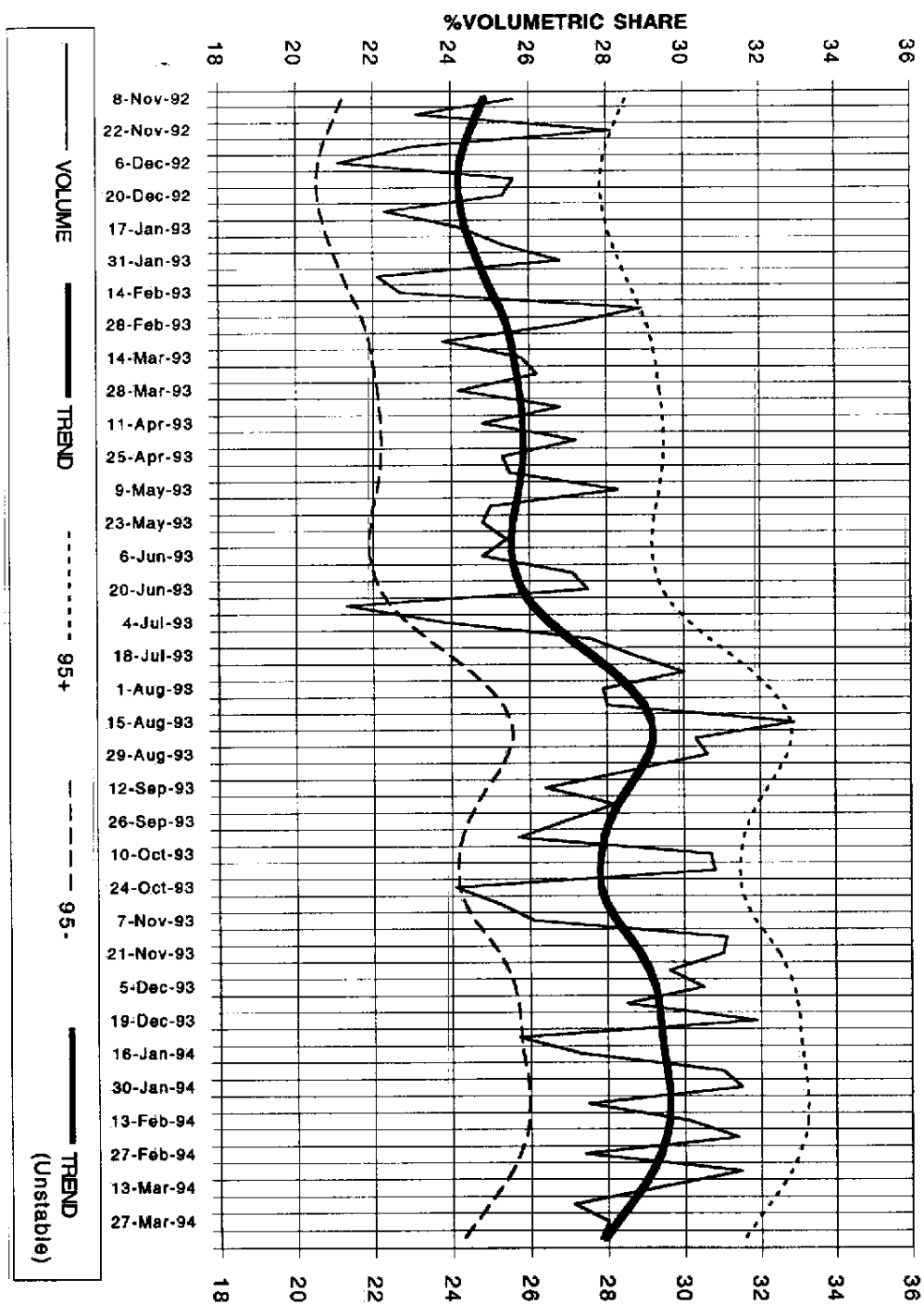
99C959C202

SOURCE: SMOKER TRACKING STUDY - WEEKLY

*MARCH AND APRIL '94 REPRESENT TOP LINE DATA

WISNOKA

MARLBORO VOLUMETRIC SHARE (AMONG TOTAL SMOKERS)



496359E202

SOURCE: VOLUMETRICS - WEEKLY

MARCH AND APRIL REPRESENT TOP LINE DATA

W VOL.1

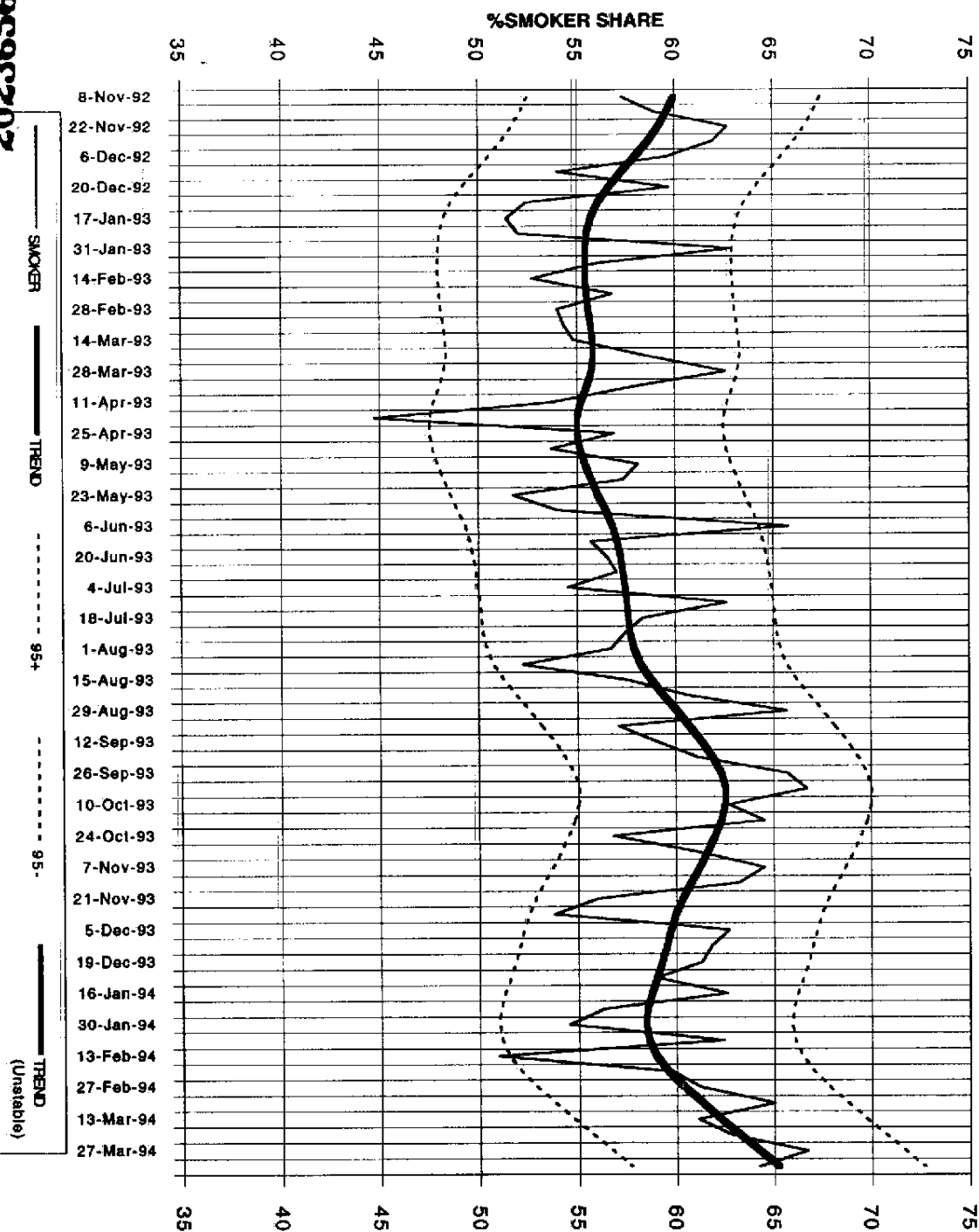
MARLBORO SMOKER SHARE (AMONG 18-24 SMOKERS)

89C959C202

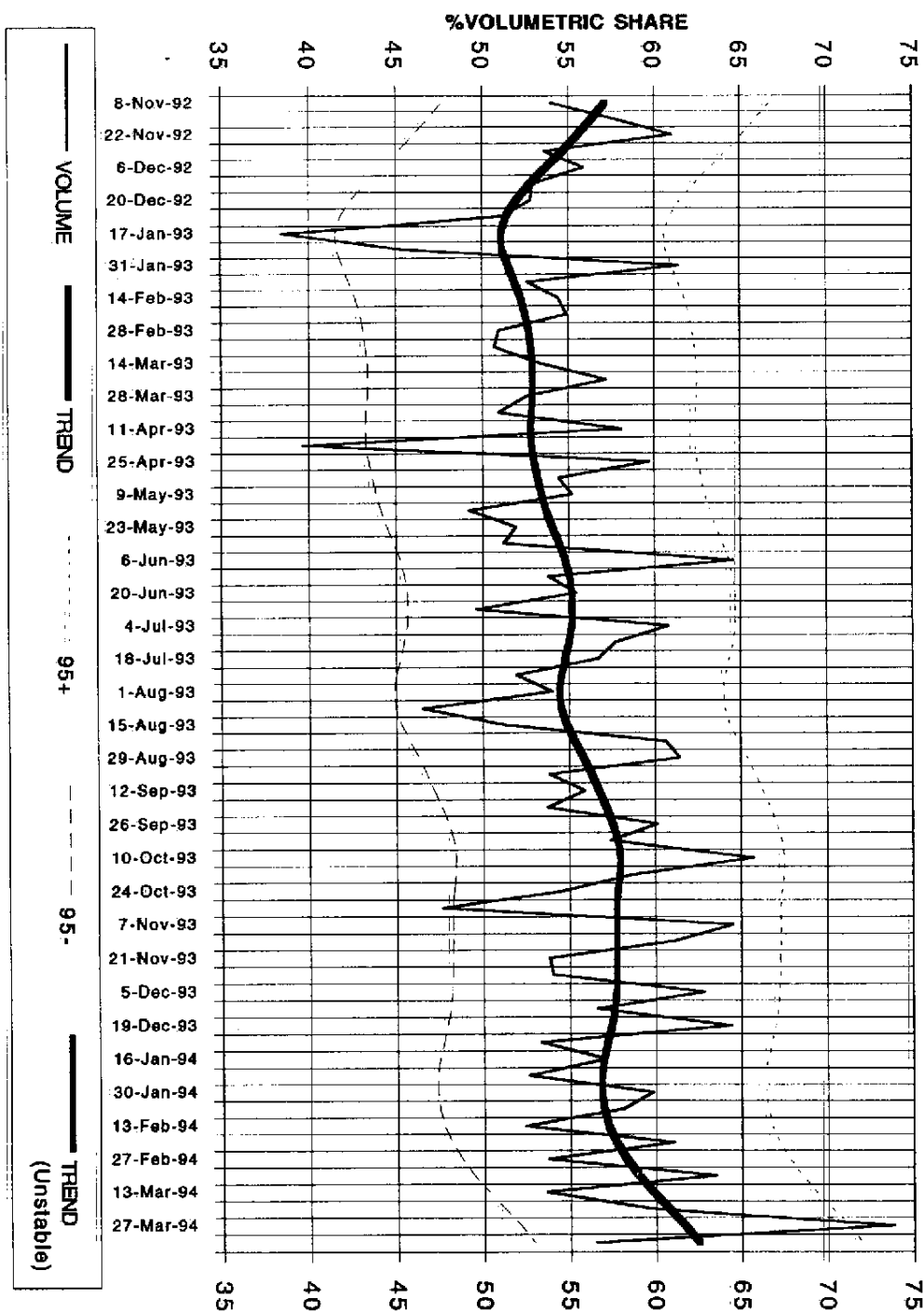
SOURCE: SMOKER TRACKING STUDY - WEEKLY

MARCH AND APRIL '94 REPRESENTS TOP LINE DATA

- W. SMOK. 1994



MARLBORO VOLUMETRIC SHARE (AMONG 18-24 SMOKERS)



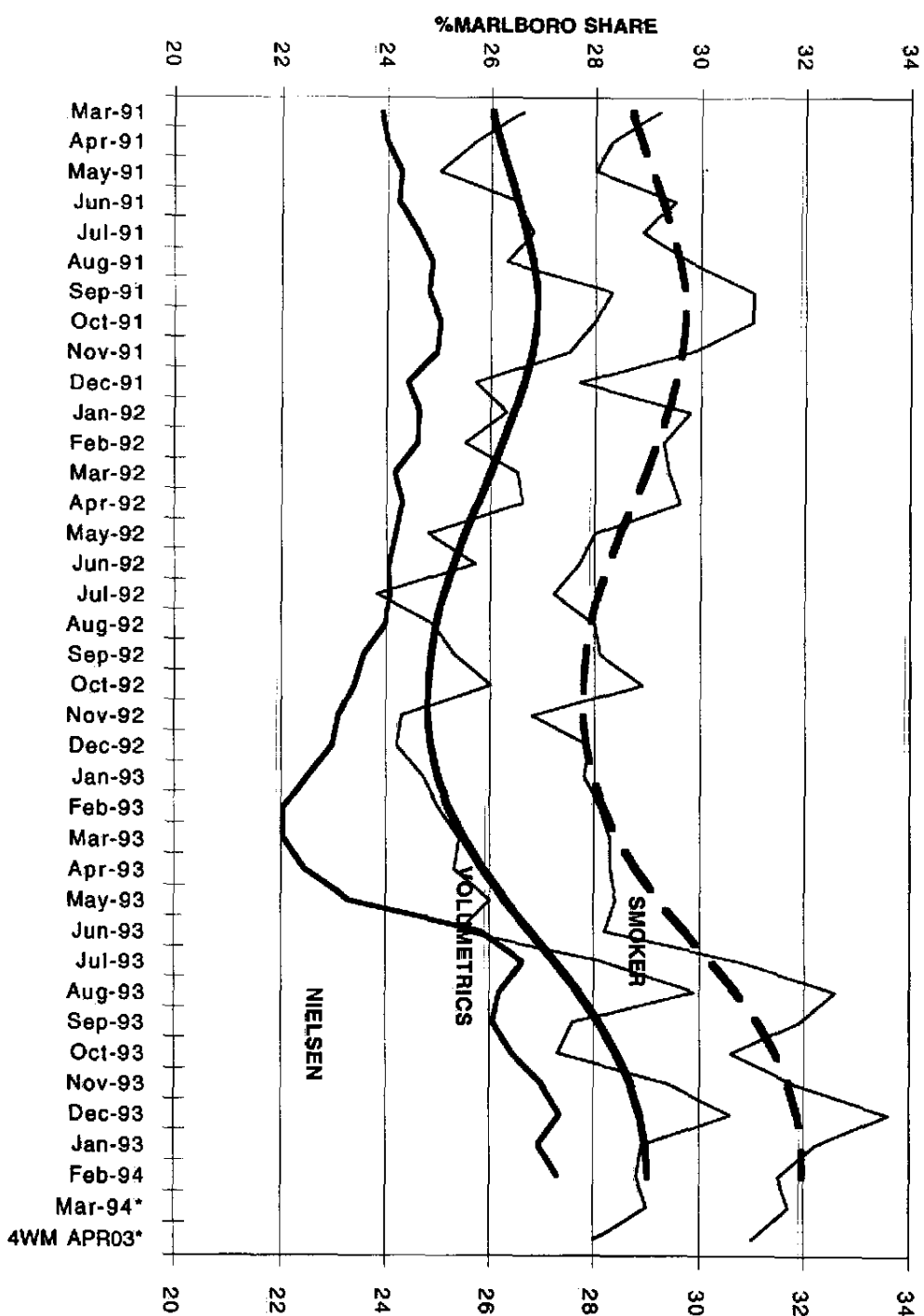
6969596202

SOURCE: VOLUMETRICS - WEEKLY

MARCH AND APRIL '94 REPRESENT TOP LINE DATA

W/VOL 1824.2

**MARLBORO SMOKER AND VOLUMETRIC SHARE TRENDS (AMONG TOTAL SMOKERS)
CONTINUE TO INCREASE.**



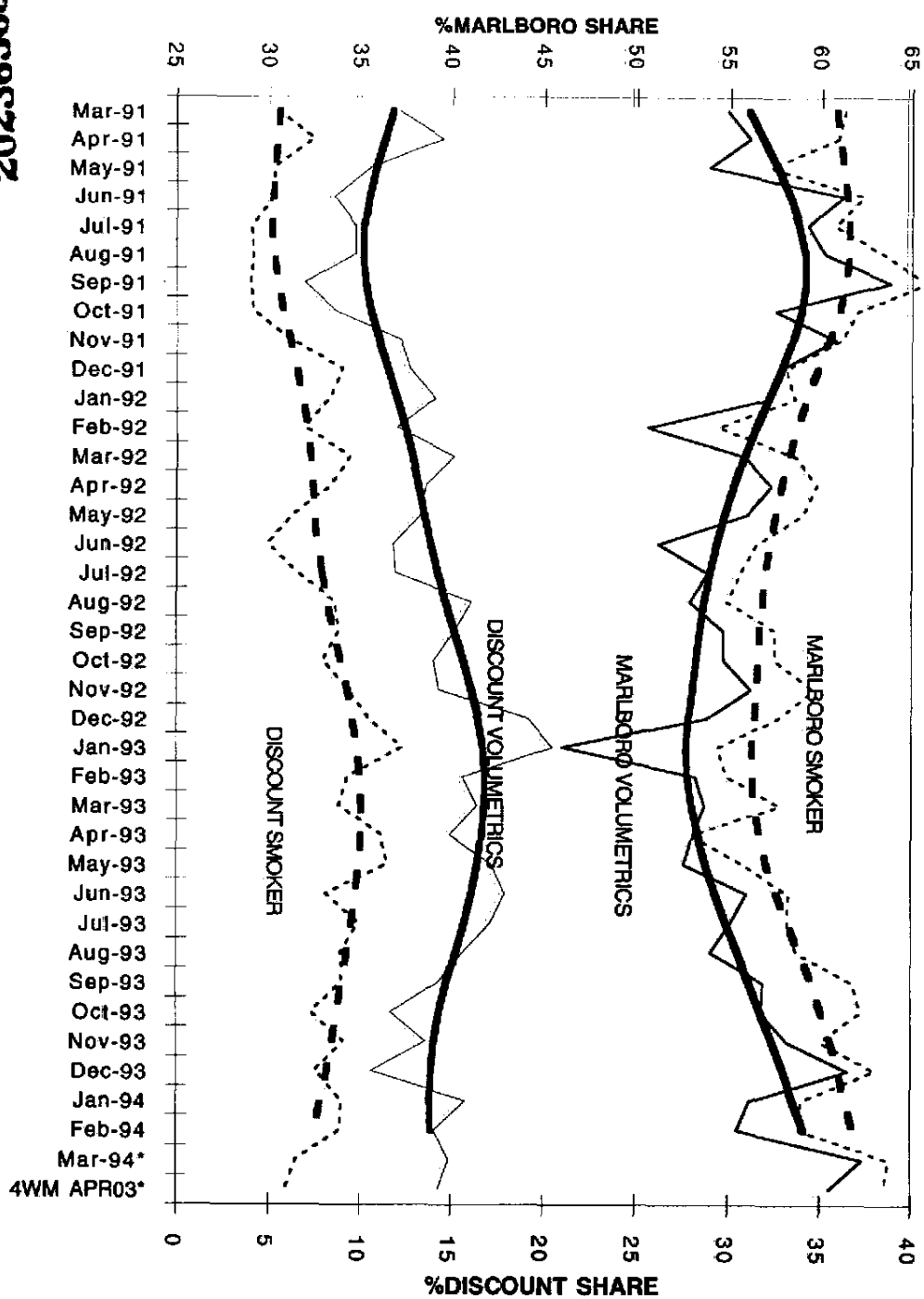
04C959C202

SOURCE: CONTINUOUS TRACKING STUDY, NIELSEN - MONTHLY

MARKETING

MARCH AND APRIL '94 REPRESENT TOP LINE DATA

**MARLBORO SMOKER AND VOLUMETRIC SHARE TRENDS (AMONG 18-24 SMOKERS)
CONTINUE TO INCREASE.**



1439593202

SOURCE: CONTINUOUS SMOKER TRACKING STUDY - 1MM

MARCH AND APRIL '94 DATA IS TOP LINE

WMAF02 1824.7

ESTIMATED MAT RESULTS

	<u>ACTUAL</u>	<u>DIFF VS FORECAST</u>
RESPONDERS	4,938,000	(38,000)
# MAIL RECEIPTS	6,901,778	(38,384)
TOTAL ITEMS ORDERED	28,240,473	(104,438)
- % LOW MILEAGE	61%	(1%)
- % MID	27%	1%
- % HIGH	12%	-
ITEMS PER ORDER	4.09	.01
MILES PER ORDER	1,453	9
TOTAL ITEM COST	\$441,693,906	(\$87,554)

2289598202